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January 2020

# U.S. SECRET SERVICE

## Investigative Operations Confer Benefits, but Additional Actions Are Needed to Prioritize Resources

Accessible Version

# GAO Highlights

Highlights of [GAO-20-239](#), a report to the Committee on Homeland Security and Governmental Affairs, U.S. Senate

## Why GAO Did This Study

Commonly known for protecting the President, the Secret Service also investigates financial and electronic crimes (e.g., counterfeit currency and identity theft). In recent years, Congress and a panel of experts established by the Secretary of Homeland Security have raised concerns that the Secret Service's investigative operations may negatively affect its protective operations.

GAO was asked to review the Secret Service's investigative operations. This report examines, among other things, the extent to which the Secret Service's (1) investigative operations support or negatively affect its protective operations; (2) Office of Investigations has developed a plan to combat its priority criminal threats; and (3) staffing model accounts for federal employee compensation limits. GAO analyzed Secret Service data related to investigation and protection activities from 2014 through 2018; conducted semi-structured interviews with current and former special agents and federal prosecutors; and reviewed Secret Service policies and guidance. This is a public version of a sensitive report that GAO issued in September 2019. Information that the Secret Service deemed sensitive has been omitted.

## What GAO Recommends

GAO is making six recommendations, including that the Secret Service establish a documented process to ensure that resources are dedicated to priority criminal threats, identify investigations that address these threats, and ensure compensation limits are accounted for when estimating staffing needs. The Department of Homeland Security concurred with each of GAO's recommendations.

View [GAO-20-239](#). For more information, contact Gretta L. Goodwin at (202) 512-8777 or [goodwin@gao.gov](mailto:goodwin@gao.gov).

January 2020

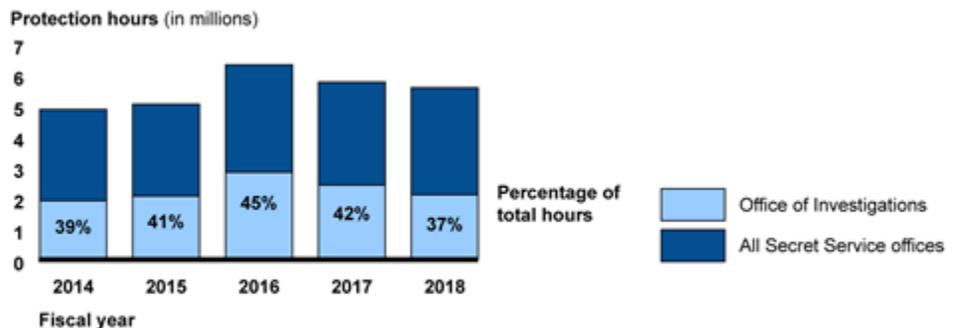
## U.S. SECRET SERVICE

### Investigative Operations Confer Benefits, but Additional Actions Are Needed to Prioritize Resources

#### What GAO Found

The operations of the U.S. Secret Service (Secret Service) Office of Investigations, which conducts criminal investigations into financial and electronic crimes, generally support Secret Service protective operations in a variety of ways. For example, special agents in the Office of Investigations perform temporary protective assignments, such as during presidential campaigns or augment protective operations by securing a site in advance of a visit by a protectee. GAO found that personnel in the Office of Investigations spent 11.2 million hours supporting protective operations from fiscal years 2014 through 2018. Most of the 40 current and former special agents GAO interviewed said that their investigative duties did not negatively affect protection. However, over half identified that they were frequently or sometimes required to work on investigations while assigned to temporary protective operations. Details associated with this topic are sensitive and have been omitted from this report.

Hours Expended Agencywide on Protective Operations by U.S. Secret Service Law Enforcement Personnel, Fiscal Years 2014–2018



Source: GAO analysis of U.S. Secret Service data. | GAO-20-239

In December 2017, the Secret Service developed a plan to align its resources to combat what it identified as priority criminal threats (e.g., criminal activity with significant economic and financial impacts). However, available documentation of efforts taken does not consistently demonstrate synchronized efforts across the agency to counter the priority criminal threats, as envisioned in the plan. Further, the Secret Service does not have a systematic approach for identifying cases that address priority criminal threats. Absent a documented process for aligning resources and identifying cases, Secret Service will continue to lack assurance that its resources are aligned to combat its priority threats.

The Office of Investigations employs a staffing model to determine how many special agents are needed in its field offices. The staffing model takes into account the number of law enforcement premium pay and standard overtime hours special agents are expected to work. However, it does not consider annual caps on federal employee salaries. As a result, the agency may be underestimating the number of staff needed to meet its workload demands.

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### **Abbreviations**

DHS	Department of Homeland Security
FBI	Federal Bureau of Investigation
GS	General Schedule
HSI	Homeland Security Investigations
IRS CI	Internal Revenue Service - Criminal Investigation
LEAP	Law Enforcement Availability Pay
LIONS	Legal Information Office Network System
Roadmap	Office of Investigations Priorities and Roadmap
Secret Service	U.S. Secret Service
USAO	U.S. Attorneys Offices
USPIS	U.S. Postal Inspection Service

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January 22, 2020

The Honorable Ron Johnson  
Chairman  
The Honorable Gary Peters  
Ranking Member  
Committee on Homeland Security and Governmental Affairs  
United States Senate

The U.S. Secret Service (Secret Service) has two primary areas of responsibility: providing protection and conducting criminal investigations. As part of its protective activities, the Secret Service protects, among others, the President, the Vice President, the President-elect, the Vice President-elect, and their immediate families.<sup>1</sup> The Secret Service also investigates certain financial and electronic crimes, such as counterfeiting, identity theft, credit card fraud, and network intrusions. To execute its protective and investigative responsibilities, the Secret Service—a component agency of the Department of Homeland Security since 2003—relies on thousands of special agents and other personnel.<sup>2</sup> In fiscal year 2019, Secret Service was appropriated around \$2.1 billion.<sup>3</sup>

After a September 2014 security incident in which an intruder was able to enter the White House, the Secretary of Homeland Security established an independent panel of experts—the U.S. Secret Service Protective Mission Panel—to review the Secret Service’s protective activities. The panel stated in its final report that protection must be the Secret Service’s first priority, and that the agency “should give serious consideration to whether there are collateral or non-essential missions that can be shed.” The panel also stated that it believes the Secret Service’s investigations

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<sup>1</sup>18 U.S.C. § 3056. In addition, generally, the Secret Service protects former Presidents and their spouses for their lifetimes, children of a former President who are under 16 years of age, visiting heads of foreign states or foreign governments, major Presidential and Vice Presidential candidates and, within 120 days of the general presidential election, the spouses of such candidates, among others.

<sup>2</sup>Homeland Security Act of 2002, Pub. L. No. 107-296, title VIII, § 821, 116 Stat. 2135, 2224. Among other things, the Homeland Security Act of 2002 transferred the functions, personnel, assets, and obligations of the Secret Service from the Department of the Treasury to the Department of Homeland Security, which occurred on March 1, 2003.

<sup>3</sup>Consolidated Appropriations Act, 2019, Pub. L. No. 116-6, 133 Stat. 13.

provide benefits to its protective activities.<sup>4</sup> Since the 2014 incident, Congress has also examined the Secret Service's dual areas of responsibility. For example, in December 2015 the House Committee on Oversight and Government Reform issued the committee report *United States Secret Service: An Agency in Crisis*.<sup>5</sup> The committee report stated that Secret Service investigations place an additional burden on its special agents and distract the agency from providing protection. The committee report also recommended the Secret Service take steps related to agency leadership, personnel and staffing, and budgeting. Finally, in response to Secret Service special agents not being fully compensated for all of their overtime hours worked, Congress held hearings and legislation was passed to provide additional pay for certain special agents in calendar years 2016 through 2020.

You requested that we review the Secret Service's areas of responsibility, with a focus on how investigative operations affect the agency's protective operations. This report addresses the following questions:

1. How, if at all, do the Secret Service's investigative operations support or negatively affect its protective operations?
2. To what extent do the Secret Service and selected federal entities investigate similar financial crimes, and to what extent do selected federal prosecutors find this to be beneficial?
3. To what extent has the Secret Service developed a plan to combat its priority criminal threats?
4. To what extent does the Secret Service Office of Investigations' staffing model ensure compensation limits are accounted for when estimating staffing needs?

This is a public version of a sensitive GAO report that we issued in September 2019. Secret Service deemed some of the information in our September report as sensitive, which must be protected from public disclosure. Therefore, this report omits sensitive information on whether Secret Service's investigative operations negatively affect its protective operations. Although the information provided in this report is more

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<sup>4</sup>U.S. Secret Service Protective Mission Panel, *Report from the United States Secret Service Protective Mission Panel to the Secretary of Homeland Security* (Washington, D.C.: Dec. 15, 2014).

<sup>5</sup>House of Representatives Committee on Oversight and Government Reform, *United States Secret Service: An Agency in Crisis* (Washington, D.C.: Dec. 9, 2015).

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limited, the report addresses the same objectives as the sensitive report and uses the same methodology.<sup>6</sup>

To determine how the Secret Service's investigative operations potentially support or negatively affect protective operations, we reviewed Secret Service policies and guidance, including those related to the Office of Investigations' roles and responsibilities. We also analyzed Secret Service time and attendance data for fiscal years 2014 through 2018 to determine the number of hours special agents spent on investigation and protection activities. We focused on fiscal years 2014 through 2018 as it was the most recent data available at the time of our review; included a fiscal year in which the Secret Service experienced the operational tempo of a presidential campaign (i.e., fiscal year 2016); and included data from two administrations. Based on our review of the data and related controls, we determined that the data were sufficiently reliable for the purposes of reporting the number of hours that special agents in the Office of Investigations expended on different activities and the number of cases opened and closed during fiscal years 2014 through 2018.

We also interviewed Secret Service officials at headquarters and selected field offices. We visited the Secret Service Miami, Florida field office; West Palm Beach, Florida resident office; New York City, New York field office; and White Plains, New York resident office. We selected office locations using criteria such as highest number of criminal investigation and protection hours and geographic diversity. We also conducted semi-structured interviews with 40 Secret Service special agents, including 30 current and 10 former special agents, to discuss their views on investigation and protection activities. The information obtained from our interviews cannot be generalized across all current and former special agents; however, the information provided examples and perspectives on how investigative operations can support or negatively affect protective operations. In addition, we reviewed the Secret Service's December 2017 Office of Investigations Priorities and Roadmap (Roadmap) to assess whether the agency is leveraging the expertise it has developed for investigative purposes to advance special agents' ability to perform protective responsibilities.

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<sup>6</sup>*U.S. Secret Service: Investigative Operations Confer Benefits, but Additional Actions Are Needed to Prioritize Resources.* GAO-19-560SU (Washington, D.C.: Sept. 26, 2019).

To determine the extent that the Secret Service and selected federal agencies conduct similar investigations, we analyzed federal prosecutor data from the Department of Justice's Legal Information Office Network System (LIONS).<sup>7</sup> We analyzed the data to identify the six LIONS categories wherein Secret Service referred the highest number of active financial crime cases to federal prosecutors during fiscal years 2013 through 2017. We further analyzed the data to identify other federal law enforcement agencies that referred the highest number of cases in the same six LIONS categories during fiscal years 2013 through 2017. Based on our data analyses, we selected the following four law enforcement agencies: Federal Bureau of Investigation (FBI); U.S. Postal Inspection Service (USPIS), the Department of Homeland Security's investigative arm, Homeland Security Investigations (HSI); and Internal Revenue Service Criminal Investigation (IRS-CI). In the course of our work, LIONS data from 2018 became available, so we used data from 2014 through 2018 to describe the number of cases in each offense category that each agency referred to U.S. Attorneys' Offices (USAO). The information obtained from selected federal agencies cannot be generalized across all federal agencies. However, the information provides examples of how federal law enforcement agencies can conduct similar types of investigations. In addition, the data may not account for all financial crimes cases each agency contributed investigative resources to. This is because the data only includes cases referred by each investigative agency wherein the agency was identified as the lead investigative agency as determined by the U.S. Attorneys who entered the data into LIONS. To assess the reliability of the data, we discussed LIONS quality controls with Department of Justice officials and reviewed the data for any obvious errors and anomalies, among other things. Based on our assessment, we determined that the data were sufficiently reliable for the purposes of describing the extent to which selected federal law enforcement agencies conducted investigations similar to those conducted by the Secret Service during fiscal years 2014 through 2018.

In addition to analyzing LIONS data, we held semi-structured interviews with federal prosecutors from 12 USAOs to gather federal prosecutors' views on Secret Service investigations. We selected USAOs with the highest number of ongoing cases of the types Secret Service investigates the most during fiscal years 2013 through 2017 (the latest year for which

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<sup>7</sup>LIONS is a case management system used by Department of Justice's Executive Office for United States Attorneys.

data was available when making our selections), among other criteria. The information obtained from selected USAOs cannot be generalized across all federal prosecutors; however, the information provided examples of the benefits and drawbacks of selected federal agencies and the Secret Service conducting similar types of investigations.

To determine the extent to which Secret Service has developed a plan to combat its priority criminal threats, we reviewed Office of Investigations policies and guidance. For example, we reviewed the December 2017 Roadmap, and guidance related to the Secret Service's Significant Case Database. In addition, as discussed earlier, we interviewed officials from the Office of Investigations at headquarters and selected field offices. In addition, we reviewed Standards for Internal Control in the Federal Government to assess whether the Secret Service has the necessary control activities and information to combat its priority criminal threats and carry out its responsibilities.<sup>8</sup>

To assess the extent to which the Office of Investigations' staffing model accounts for compensation limits for special agents, we reviewed documentation on the staffing model. We also received a briefing on the development and use of the Office of Investigations staffing model and the assumptions and statistical methods used in the staffing model from officials in the Office of Investigations. To describe the ways in which federal law affects special agent pay, we reviewed federal laws, such as the Law Enforcement Availability Pay Act of 1994. In addition, we reviewed data provided by the Office of Human Resources to determine the number of special agents assigned to the Office of Investigations in calendar years 2016 through 2018 that were not compensated for all the time worked in each calendar year and the total sum unpaid. We determined the data were reliable for the purposes of this report through interviews with officials and evaluations of the system from which the data was pulled. Finally, we reviewed Standards for Internal Control in the Federal Government. See appendix I for further discussion of our scope and methodology.

We conducted this performance audit from November 2017 to September 2019 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to

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<sup>8</sup>GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: September 2014).

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obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. We subsequently worked with Secret Service from October 2019 to January 2020 to prepare this version of the original sensitive report for public release. This public version was also prepared in accordance with these standards.

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## Background

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### Secret Service Areas of Responsibility and Organization

The Secret Service pursues two areas of responsibility simultaneously—protection and criminal investigations. The Secret Service’s Office of Protective Operations oversees the agency’s protective divisions, including the Presidential Protective, Vice Presidential Protective, and Uniformed Divisions. These divisions carry out permanent protective details and other protection-related assignments.<sup>9</sup> Permanent protectees, such as the President and Vice President, have special agents permanently assigned to them from the Presidential Protective Division or Vice Presidential Protective Division. The Secret Service provides protection for the President, Vice President, and their families at all times.<sup>10</sup> In fiscal year 2017, the Presidential and Vice Presidential Protective Divisions provided protection for 30 presidential and vice-presidential foreign trips in addition to providing protection for members of the President’s and Vice President’s families. The Uniformed Division protects certain facilities, including the White House and the Treasury Building, among others.<sup>11</sup> Figure 1 illustrates an organizational chart of offices within the Secret Service.

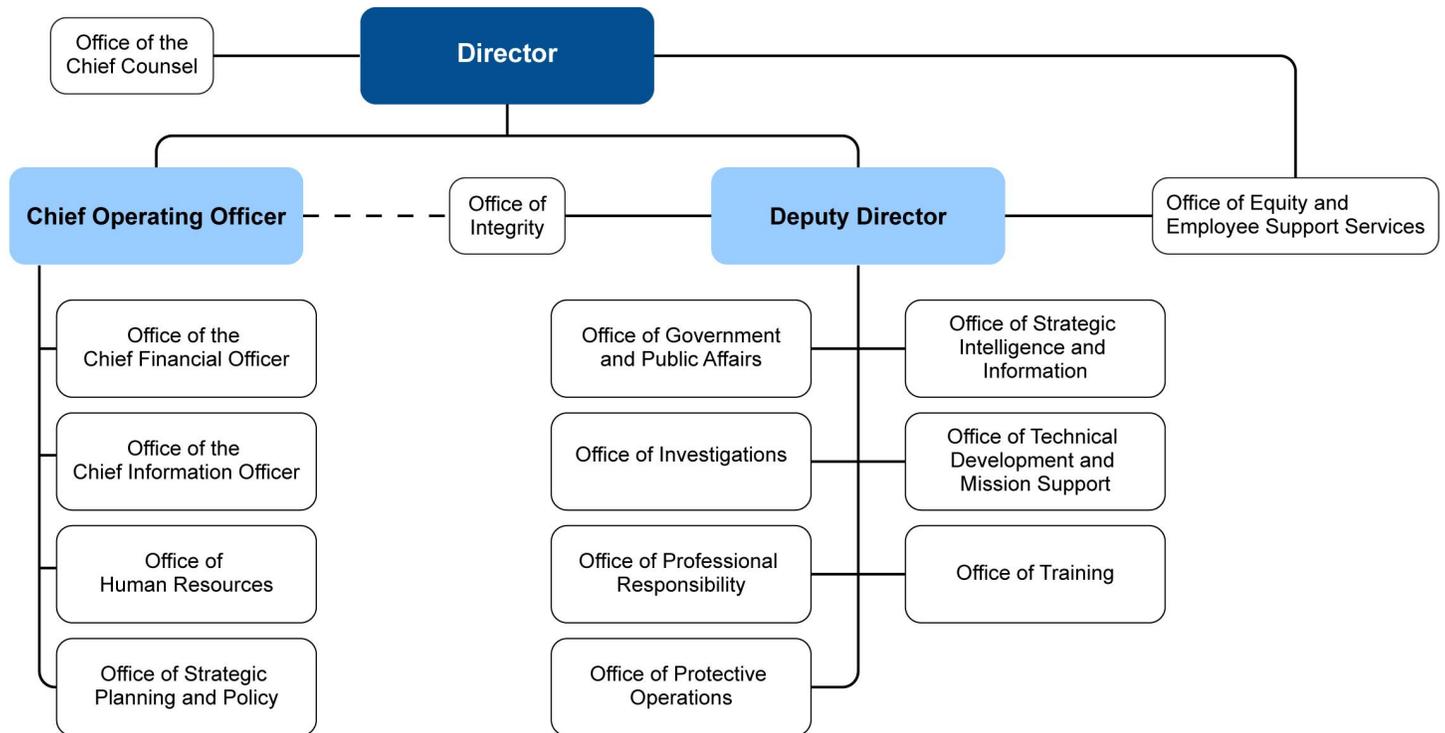
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<sup>9</sup>Protective Divisions are dedicated to the President, Vice President, and other permanent protectees, such as former Presidents and Presidents’ families.

<sup>10</sup>Pursuant to 18 U.S.C. § 3056(a), generally, the immediate families of the President, the Vice President (or other officer next in the order of succession to the Office of President), the President-elect, and the Vice President-elect may decline protection, among others.

<sup>11</sup>The Uniformed Division, subject to the supervision of the Secretary of Homeland Security, is to perform duties, as prescribed by the Director of the Secret Service, in connection with the protection of certain facilities, including the White House and the Treasury Building, among others. 18 U.S.C. § 3056A.

**Figure 1: U.S. Secret Service Organizational Chart**

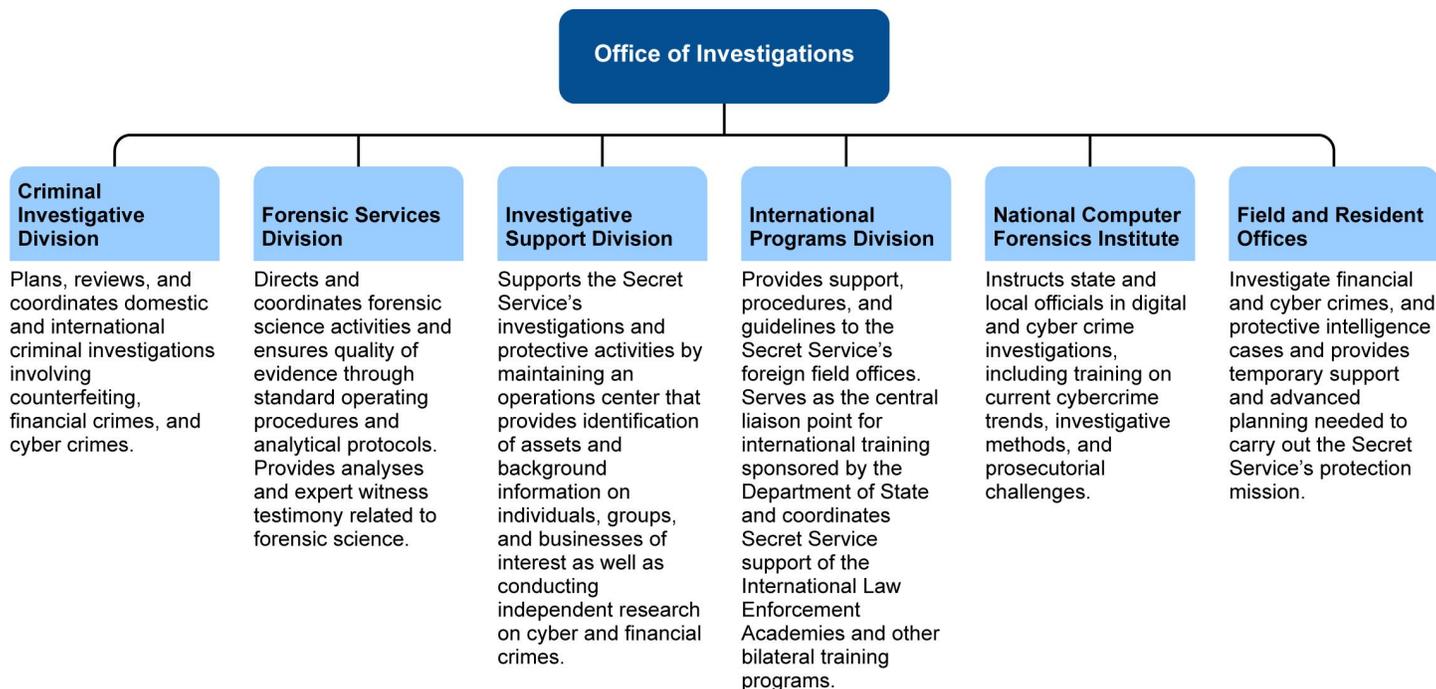


Source: U.S. Secret Service. | GAO-20-239

The Office of Investigations oversees the agency’s field activities, including investigations into crimes targeting the nation’s financial systems; surveys of locations a protectee may visit; investigations of threats to protected persons and facilities; and temporary support for protection.<sup>12</sup> Figure 2 provides information about the components in the Office of Investigations.

<sup>12</sup>See appendix II for Secret Service expenditures, by operational areas (e.g., protection and investigations) during fiscal years 2014 through 2018.

**Figure 2: Offices within the U.S. Secret Service Office of Investigations**

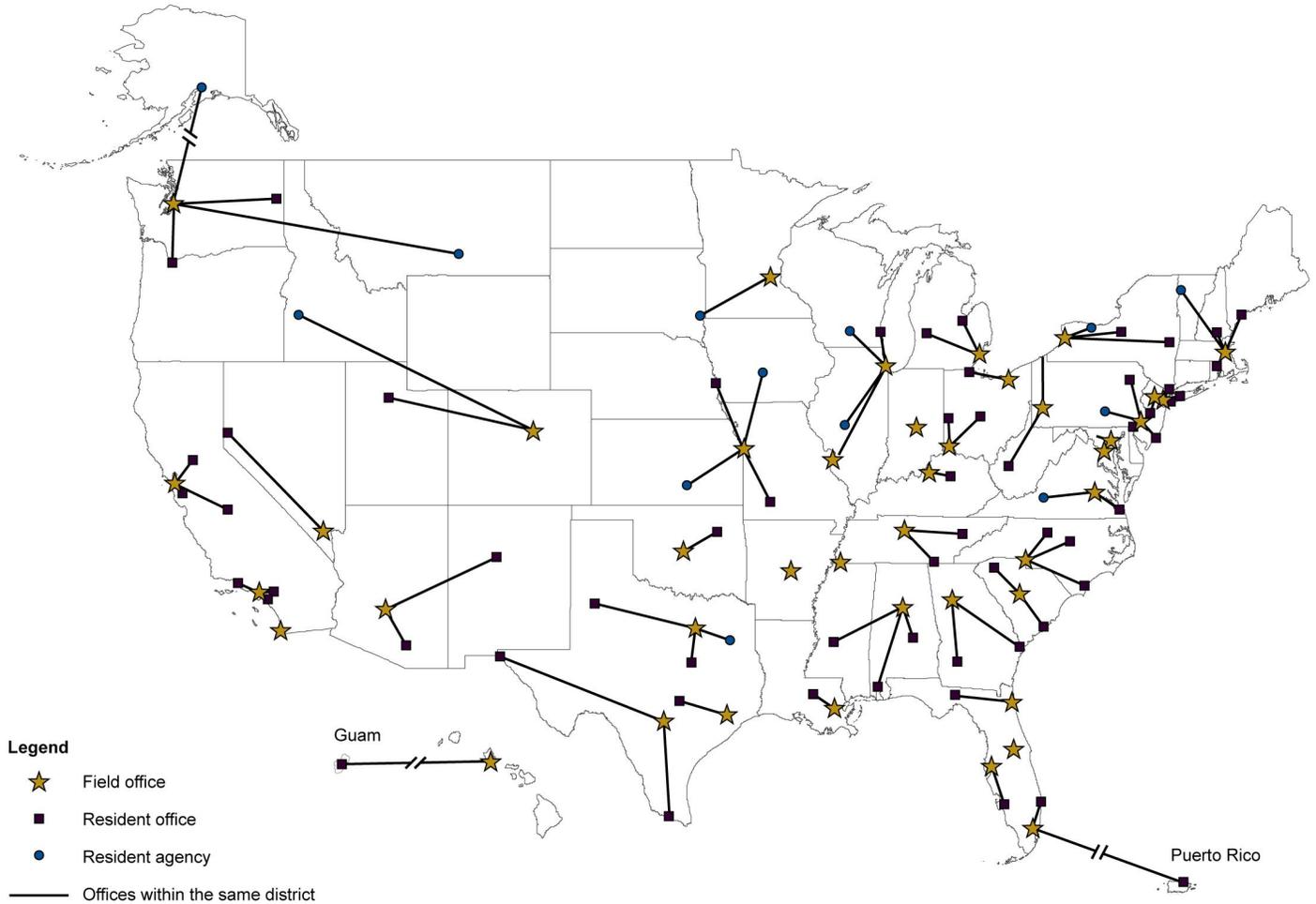


Source: GAO analysis of U.S. Secret Service information. | GAO-20-239

The Office of Investigations oversees the agency's 21 international field offices and 141 domestic offices, consisting of 42 field offices, 60 resident offices, 13 resident agencies, and 26 domiciles.<sup>13</sup> Special agents in these offices conduct investigations to identify, locate, and apprehend criminal organizations and individuals targeting the nation's critical financial infrastructure and payment systems. Figure 3 shows the locations of Secret Service's domestic field offices, resident offices, and resident agencies.

<sup>13</sup>Field offices are the largest of all the offices, located in metropolitan areas, travel hubs, and populous areas where there is generally a high demand for protective and investigative services. Resident offices are the next-largest office in size, staffed by at least three special agents. Resident agencies are located in more remote areas and can consist of only one special agent. Domiciles are typically one special agent operating out of his or her home, state or local law enforcement offices, or the local U.S. Attorney's office.

Figure 3: U.S. Secret Service Domestic Office Locations and Types



Source: GAO analysis of U.S. Secret Service information; MapInfo (map). | GAO-20-239

## Secret Service Investigations

Although the Secret Service was originally founded to investigate the counterfeiting of U.S. currency, the agency's investigations now span a number of financial and computer-based crimes. Pursuant to 18 U.S.C. § 3056(b)(2), under the direction of the Secretary of Homeland Security, the Secret Service is authorized to detect and arrest any person who violates any of the laws of the United States relating to coins, obligations,

and securities of the United States, including the investigation of the counterfeiting of U.S. currency.<sup>14</sup> In addition, the Secret Service is authorized to identify, locate, and apprehend criminal organizations and individuals that target the nation's critical financial infrastructure and payment systems. Secret Service special agents investigate financial crimes such as access device fraud (including credit and debit-card fraud); identity crimes and theft; business email compromise; bank fraud; and illicit financing operations. In addition, the agency investigates cybercrimes, including network intrusions, ransomware, and cryptocurrency, among other criminal offenses.<sup>15</sup> The Secret Service also provides forensic and investigative assistance in support of investigations involving missing and exploited children.<sup>16</sup> Finally, Secret Service special agents may investigate and make arrests for any offense against the United States committed in their presence, or any felony cognizable under the laws of the United States if they have reasonable grounds to believe that the person to be arrested has committed or is committing such felony.<sup>17</sup> For more information on the evolution of the Secret Service's statutory authorities, see appendix III.

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## Secret Service Special Agent Career Progression and Pay

The Secret Service has established three phases for a special agent's career, in which the special agent contributes to both investigative and

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<sup>14</sup> For information on the scope of the Secret Service's investigative authorities, see Appendix III.

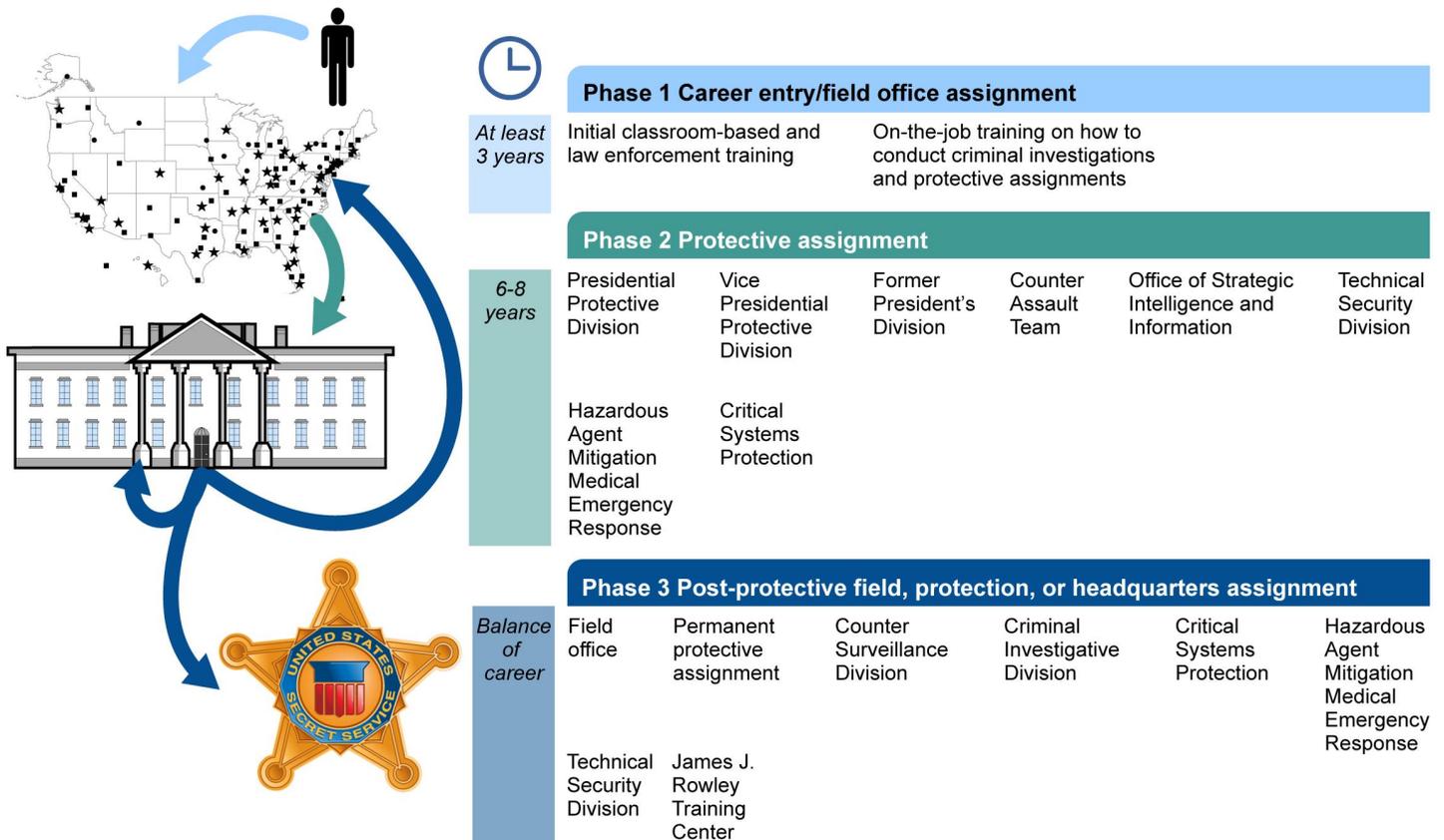
<sup>15</sup> Generally, pursuant to 18 U.S.C. § 3056(b), under the direction of the Secretary of Homeland Security, the Secret Service is authorized to detect and arrest any person who violates any of the laws of the United States relating to coins, obligations, and securities of the United States and of foreign governments; or any of the laws of the United States relating to electronic fund transfer frauds, access device frauds, false identification documents or devices, and any fraud or other criminal or unlawful activity in or against any federally insured financial institution; or certain criminal violations with respect to the Federal Deposit Insurance Corporation, Federal land banks, and Federal land bank associations. For example, Secret Service investigates criminal offenses such as access device fraud under 18 U.S.C. § 1029, identity theft under 18 U.S.C. § 1028, computer fraud under 18 U.S.C. § 1030, and bank fraud under 18 U.S.C. § 1344.

<sup>16</sup> 18 U.S.C. § 3056(f). Under the direction of the Secretary of Homeland Security, the Secret Service is authorized, at the request of any State or local law enforcement agency in conjunction with an investigation, or at the request of the National Center for Missing and Exploited Children, to provide forensic and investigative assistance.

<sup>17</sup> 18 U.S.C. § 3056(c)(1)(C).

protective operations—Phase 1: Career Entry/Field Office Assignment; Phase 2: Protective Assignment; and Phase 3: Post-Protective Field, Protection, or Headquarters Assignment. During Phase 1, after being hired and receiving 7 months of training, the special agent is assigned to a field office for at least 3 years, where the special agent performs investigations and participates in temporary protective assignments locally and away from the special agent’s home office. In Phase 2, the special agent is assigned for up to 8 years to a permanent protective detail or to one of the Secret Service’s specialty divisions, such as the Office of Strategic Intelligence and Information. In Phase 3, the special agent may return to a field office, serve in headquarters-based specialized roles, or continue permanent protection duty. Figure 4 illustrates the Secret Service’s special agent career progression model.

**Figure 4: U.S. Secret Service Special Agent Career Progression Model**



Source: GAO analysis of U.S. Secret Service information. | GAO-20-239

Secret Service special agents are paid in accordance with the Office of Personnel Management's general schedule, which determines the pay structure for the majority of civilian white-collar Federal employees. In addition to standard pay under the general schedule, special agents are eligible for law enforcement availability pay (LEAP). The Law Enforcement Availability Pay Act of 1994, as amended, established a uniform compensation system for federal criminal investigators who, by the nature of their duties, are often required to work excessive and unusual hours.<sup>18</sup> The purpose of LEAP is to provide premium pay to criminal investigators to ensure their availability for unscheduled work in excess of a 40-hour workweek based on the needs of the employing agency. The LEAP Act authorized a 25 percent increase in base salary (LEAP premium pay) as long as specific requirements of the LEAP Act are met. Among these requirements is a condition that criminal investigators maintain an annual average of 2 or more unscheduled duty hours per workday.

Federal employees under the general schedule are subject to caps on pay equal to the highest pay level in the general schedule. In recent years, legislation has been enacted to raise this pay cap for Secret Service special agents who, due to the high number of hours they worked, were not otherwise compensated for all hours worked. In 2016, the Overtime Pay for Protective Services Act of 2016 authorized any officer, employee, or agent employed by the Secret Service who performs protective services for an individual or event protected by the Secret Service during 2016 to receive an exception to the limitation on certain premium pay within certain limits.<sup>19</sup> The Secret Service Recruitment and Retention Act of 2018 extended the Secret Service-specific waiver of the pay cap for basic and premium overtime pay through 2018 and included agents within the Secret Service Uniformed Division.<sup>20</sup> Subsequently, the Secret Service Overtime Pay Extension Act extended the Secret Service-specific waiver through 2020.<sup>21</sup>

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<sup>18</sup>Pub. L. No. 103-329, Title VI, § 633, 108 Stat. 2425. See 5 U.S.C. § 5545a.

<sup>19</sup>Pub. L. No. 114-311, 130 Stat. 1531.

<sup>20</sup>Pub. L. No. 115-160, 132 Stat. 1246.

<sup>21</sup>Pub. L. No. 115-383, 132 Stat. 5121.

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## Office of Investigations Generally Supports Protection, but Has Not Identified Investigations That Best Prepare Agents for Protection

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### The Office of Investigations Supports Protective Operations in Numerous Ways

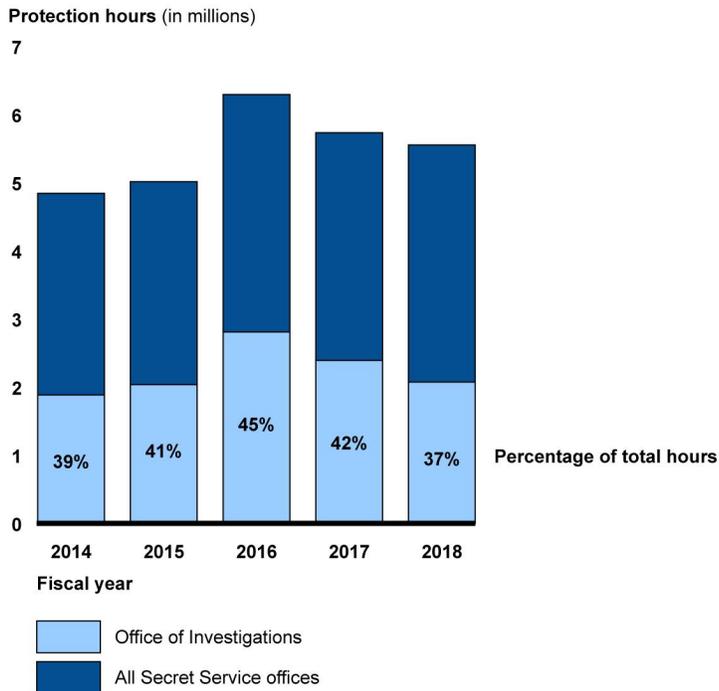
The Secret Service's Office of Investigations supports protective operations in a variety of ways. According to our analysis of Secret Service data, special agents assigned to the Office of Investigations expended 11.2 million hours supporting protective operations during fiscal years 2014 through 2018.<sup>22</sup> These 11.2 million hours accounted for 41 percent of all protection hours recorded by Secret Service law enforcement personnel during that period.<sup>23</sup> Figure 5 shows the number of hours Secret Service law enforcement personnel expended on protection, including the percentage expended by special agents in the Office of Investigations.

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<sup>22</sup>This data only includes special agents in an Office of Investigations field location (e.g., field office or resident office), and thus does not include special agents at headquarters. We focused on field staff because that is how the agency captures and reports the data in its annual reporting.

<sup>23</sup>The Secret Service law enforcement personnel data used in our data analyses only include personnel eligible for administratively uncontrollable overtime under 5 U.S.C. § 5545(c)(2) and LEAP, and does not include Uniformed Division personnel.

**Figure 5: Hours Expended Agencywide on Protective Operations by U.S. Secret Service Law Enforcement Personnel, Fiscal Years 2014-2018**



Source: GAO analysis of U.S. Secret Service data. | GAO-20-239

Note: Office of Investigations data only includes hours for special agents assigned to an Office of Investigations field location (e.g., field office or resident office), and thus does not include special agents at headquarters. All Secret Service data only includes hours for personnel eligible for administratively uncontrollable overtime under 5 U.S.C. § 5545(c)(2) and law enforcement availability pay, and does not include Uniformed Division personnel.

### Protective Operations Tasks

The Office of Investigations conducts numerous tasks in support of protective operations, including temporary protective assignments, protective intelligence investigations, and critical systems protection.

**Temporary protective assignments.** When a Secret Service protectee travels, special agents in the Office of Investigations carry out numerous tasks, on a temporary basis, to assist the agency’s protective operations. These special agents facilitate preparations for a protectee visit and safeguard locations. For example, special agents may review the vulnerabilities of a site, conduct motorcade route planning, and coordinate with special agents on the permanent protective detail and with state and local law enforcement. In addition, these special agents provide physical

protection when the protectee arrives. Special agents assigned to the Office of Investigations also travel to provide temporary protection and assist during presidential campaigns and National Special Security Events.<sup>24</sup> During presidential campaigns, these special agents may accompany certain presidential candidates and their family members to provide 24/7 protection, and may also work on advance teams that provide site security for campaign events.

**Protective intelligence investigations.** The Office of Investigations assists with the agency's protective intelligence efforts by investigating threats against protected persons, including the President, and protected facilities, such as protectee residences. According to a Senior Secret Service official, special agents in the Office of Investigations locate, interview, and monitor individuals that make threats to a protectee. In fiscal year 2018, the Secret Service opened 2,011 protective intelligence investigations.

**Critical systems protection.** The Critical Systems Protection program identifies, assesses, and mitigates risk posed by information systems to persons and facilities protected by the Secret Service. The program is coordinated by special agents in the Office of Investigations, and according to a Senior Secret Service official, the program draws on the investigative experience that special agents have developed in the Office of Investigations. For example, the official told us that, through the Critical Systems Protection program, the agency may monitor electronic systems that could be compromised in a hotel where a protectee is staying.

#### Additional Ways the Office of Investigations Benefits Protection

The Office of Investigations can provide other benefits to protective operations, such as providing support during periods of increased protection demand and, according to special agents we interviewed, developing relationships with local law enforcement that assist with protective operations. Below are examples of these potential benefits.

**Support during periods of increased protection demand.** The Office of Investigations can shift the focus of its special agents from investigations to protection during periods of increased protection

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<sup>24</sup>National Special Security Events are major federal government or public events that are considered to be nationally significant, such as presidential inaugurations and national political conventions. See 18 U.S.C. § 3056(e)(1).

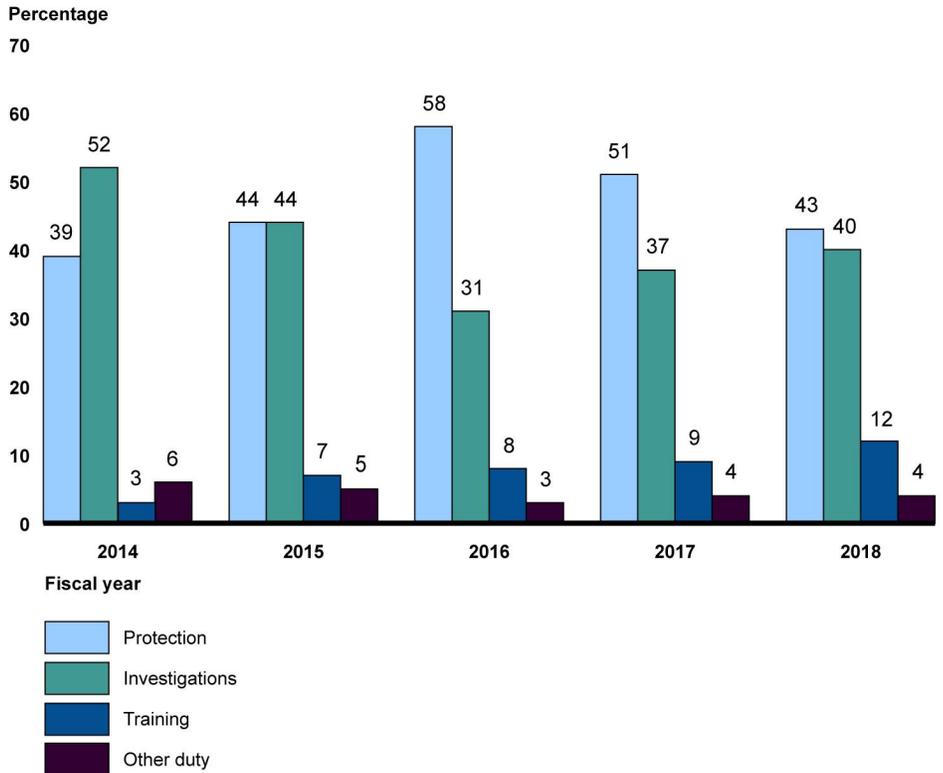
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demand. For example, according to Secret Service officials, in fiscal year 2016, the Office of Investigations shifted special agents from criminal investigations to help meet the additional protection demands of the 2016 Presidential Campaign. As shown in figure 6, in fiscal year 2014 special agents assigned to the Office of Investigations spent 52 percent of their time on investigations and 39 percent on protection.<sup>25</sup> These percentages shifted to 31 percent on investigations and 58 percent on protection in fiscal year 2016. Secret Service officials told us that the percentage of hours that special agents spent on protection remained elevated after fiscal year 2016 due to protection demands associated with the President and his family.

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<sup>25</sup>This data only includes special agents in an Office of Investigations field location (e.g., field office or resident office), and thus does not include special agents at headquarters. We focused on field staff because that is how the agency captures and reports the data in its annual reporting.

**Figure 6: Percentage of Hours Special Agents in the Office of Investigations Expended, By Type of Activity, Fiscal Years 2014-2018**



Source: GAO analysis of U.S. Secret Service data. | GAO-20-239

Note: This figure only includes hours for special agents assigned to a Secret Service Office of Investigations field location (e.g., field office or resident office), and thus does not include special agents at headquarters.

**Pre-established state and local relationships.** Resources and support from local law enforcement are needed for the Secret Service to carry out its protective operations, according to senior Secret Service officials. In our interviews with 40 current and former special agents, 38 reported that Secret Service personnel develop relationships with state and local law enforcement while conducting investigations, and that these relationships can benefit protective operations. Twenty-two special agents noted that contacts with state and local law enforcement are pre-established as a result of the agency’s investigative operations. Twenty special agents reported that assets or resources are more readily provided by their state and local partners because of the relationships they have built. In addition, special agents said that relationships developed with state and local law enforcement are either necessary for (11 special agents) or improves (8 special agents) the Secret Service’s protective activities. This

is consistent with our prior reporting on the topic. Specifically, in our February 2016 review of Secret Service field offices, we reported that special agents in each of the 12 domestic offices we interviewed emphasized that it would not be possible to protect visiting dignitaries without extensive assistance from state and local law enforcement partners.<sup>26</sup> For example, state and local law enforcement partners may provide equipment such as helicopters, vehicles, and communication equipment during dignitary visits.

**Supports employee retention and work-life balance.** Secret Service officials told us that special agents generally cannot work protective assignments for their entire career, and that investigations help support a more reasonable work-life balance for special agents. A senior Secret Service official described that protective assignments require a high level of readiness and threat consciousness, which can lead to significant psychological stress that cannot be sustained for a 25-year career. Another Secret Service official told us that some special agents can spend 100 or 200 nights away from home per year on protective assignments, and that some special agents do not want to work on protection full-time. Seventy-five percent (30 of 40) of the special agents we interviewed reported that their work-life balance is better while working on an investigation versus a protective assignment. For example, eighteen special agents reported that investigative operations have more normal working hours than protective operations. Special agents also reported that working protective operations requires that they spend more time away from home than investigations (12 special agents) and requires a work schedule dictated by someone else's (i.e., the protectee's) schedule (14 special agents).

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### Most Special Agents We Interviewed Reported That Investigative Responsibilities Did Not Negatively Affect Protection, but Some Highlighted Multitasking Difficulties

Most special agents we interviewed did not report any instances where they were unable to fulfill a protective assignment due to investigative demands. Of the 40 special agents we interviewed, 35 said there had never been an instance in which they were unable to fully execute a protection-related assignment as a result of their investigative

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<sup>26</sup>GAO, *U.S. Secret Service: Data Analyses Could Better Inform the Domestic Field Office Structure*, [GAO-16-288](#) (Washington, D.C.: February 10, 2016).

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responsibilities. The five special agents who said there were instances in which they could not personally serve in an assignment reported an issue related to staffing. For example, a special agent would have been assigned to a temporary protective activity, but they already had an investigative commitment (e.g., serving as a trial witness). According to Secret Service officials, in these instances special agents are replaced before the protective assignment begins, and thus, there is no negative effect on protective operations.

During the course of our interviews, 23 special agents said that during the last two years they frequently or sometimes were required to work on investigations while they were assigned to temporary protective operations. Examples provided by these special agents included working on investigations during protective shifts, before and after protective shifts, and during breaks to pursue investigative leads and respond to U.S. Attorneys. Additional examples associated with this topic are sensitive and have been omitted from this report. These statements are consistent with those expressed in an August 2016 report assessing quality-of-life issues at the Secret Service.<sup>27</sup>

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### While Investigations Can Help Special Agents Develop Skills for Protection, Secret Service Has Not Identified Which Specific Investigative Activities Best Prepare Special Agents for Protective Assignments

Senior Secret Service officials told us that investigations can help prepare Phase 1 special agents for the protective responsibilities required in Phase 2 of their career, which includes an assignment to a permanent protective detail or a specialty division (e.g., counter-assault team). However, the agency has not identified which types of investigations and related activities best prepare special agents for Phase 2, or established a framework to help ensure Phase 1 special agents work on such cases and activities to the extent possible.

As described earlier, special agents typically start their careers as Phase 1 special agents in a field office, and work on criminal investigations.

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<sup>27</sup>Eagle Hill Consulting, *United States Secret Service Work/Life Integration Assessment Final Report* (Arlington, VA: Aug. 22, 2016). To assess quality-of-life issues at the Secret Service, 47 focus groups were held and an agency-wide anonymous survey was conducted, among other things.

Twenty-six of the 40 current and former special agents we interviewed reported that investigations are important in developing the skills necessary for protective assignments.<sup>28</sup> Special agents we interviewed offered examples of skills developed, such as communication, interviewing, and operational planning skills; greater attention to detail; and experience working with law enforcement partners.

Special agents further stated that certain types of investigations can offer more skill development opportunities than other types of investigations. For example, 18 special agents we interviewed reported that working on protective intelligence cases can help prepare special agents for protective operations. A senior official in the Office of Protective Operations agreed, and told us that experience with protective intelligence investigations allows special agents to gain insight into both the protectees and the threats against them. In addition, six special agents identified cyber investigations as helping prepare special agents for protective operations. However, 15 special agents reported a type of Secret Service investigation that does not help them develop protection skills. For example, nine special agents said financial crime investigations (e.g., credit card fraud) are not helpful in preparing special agents for protection. As one special agent described, the skills developed from financial investigations do not translate to protection. Similarly, five special agents said that investigations into counterfeiting are not helpful in preparing special agents for protection.

The Secret Service's December 2017 Office of Investigations Priorities and Roadmap states that the office must continually look to identify areas where the expertise it has developed for investigative purposes can be leveraged to advance the Secret Service's ability to perform its protective responsibilities. In addition, consistent with Standards for Internal Control in the Federal Government, effective management of the Secret Service's workforce is essential to achieving results, as is continually assessing knowledge, skill, and ability needs of the organization, and establishing training aimed at developing and retaining employee knowledge, skills, and abilities to meet changing organizational needs.<sup>29</sup> Further, according to leading management practices related to training and development efforts, adequate planning allows agencies to establish priorities and

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<sup>28</sup>One-third (14) of the special agents reported that investigations were not important in preparing them for protection assignments.

<sup>29</sup>[GAO-14-704G](#).

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determine the best ways to leverage investments to improve performance.<sup>30</sup>

However, Secret Service officials told us the agency has not identified which of its current types of criminal investigations and related activities best prepare special agents for protective responsibilities, nor has it established a framework to help ensure that Phase 1 special agents gain experience in those areas to the extent possible. According to Secret Service officials, a list of investigative experiences beneficial to protective assignments existed in the past; however, the list is no longer used in practice and a copy of the list no longer exists.

Special agents we interviewed reported that certain types of investigations (e.g., protective intelligence investigations) are more helpful than others in preparing them for protective assignments. Secret Service officials agreed that identifying the types of investigations and activities that best prepare special agents for protective responsibilities, as well as developing a framework to help ensure Phase 1 special agents have the opportunity to work on such cases to the extent possible, could help better prepare their special agents for the protective responsibilities required in Phase 2 of their careers. In addition, a framework could better support the Secret Service's protective operations by focusing Phase 1 training on building skills needed for successfully executing protective responsibilities. It could also help make Phase 1 special agents more readily available to assist the agency when faced with a surge in protective responsibilities.

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## Secret Service and Selected Federal Agencies Investigate Similar Financial Crimes, Which Federal Prosecutors We Interviewed Reported to Be Beneficial

Types of financial crimes most often prosecuted by U.S. Attorneys based on Secret Service referrals during fiscal years 2014 through 2018 were similarly investigated by four additional federal law enforcement agencies, including the FBI, Homeland Security Investigation, IRS Criminal

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<sup>30</sup>GAO, *Human Capital: A Guide for Assessing Strategic Training and Development Efforts in the Federal Government*, [GAO-04-546G](#) (Washington, D.C.: March 2004).

Investigation, and the U.S. Postal Inspections Service.<sup>31</sup> As shown in figure 7 below, the selected agencies served as lead investigators in a total of 14,669 prosecuted cases across six financial crimes offense types during fiscal years 2014 through 2018, with Secret Service serving as the lead on 31 percent (4,620) of the cases. The Secret Service served as the lead investigating agency on more counterfeiting and forgery, identity theft, and aggravated identity theft cases prosecuted by U.S. Attorneys than any of the other selected law enforcement agencies during fiscal years 2014 through 2018. For example, the Secret Service served as the lead investigative agency on 1,368 counterfeiting and forgery cases that were prosecuted during this time period, while the FBI led 66 cases and IRS Criminal Investigations led six cases that were prosecuted (see figure 7). Although Secret Service was the lead investigative agency on the vast majority of counterfeiting and forgery prosecutions compared to the selected agencies, some types of cases were more evenly divided among the selected agencies. For example, between 2014 and 2018, U.S. Attorney's Offices prosecuted 608 aggravated identity theft cases for which the Secret Service was the lead investigating agency, while the FBI led 484 prosecuted cases, U.S. Postal Inspections Service led 454 prosecuted cases, and IRS Criminal Investigations led 383 prosecuted cases.

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<sup>31</sup>As discussed earlier in the report, we analyzed the following six offense types: (1) counterfeiting and forgery, (2) financial institution fraud, (3) other white collar crime/fraud, (4) identity theft, (5) aggravated identity theft, and (6) other fraud against businesses. We selected these offense types as they represent the categories wherein the Secret Service was the lead investigative agency in charge of the investigation, as identified by the U.S. Attorneys entering the data, and had the highest number of financial crime cases with federal prosecutors during fiscal years 2013 through 2017. The FBI; Homeland Security Investigations, the Department of Homeland Security's investigative arm; IRS Criminal Investigations; and the U.S. Postal Inspections Service were the agencies with the highest number of cases across these six categories. See appendix I for additional information on the selection of offense types. As discussed earlier, we used 2013 through 2017 data to choose the selected agencies, while we used 2014 through 2018 data for table 1.

**Figure 7: Number of Prosecuted Cases in Six Selected Financial Crimes Offense Categories By Lead Law Enforcement Agency as Designated by the U.S. Attorneys, Fiscal Years 2014 through 2018**

Number of cases prosecuted, categorized by lead law enforcement agency



Offense types	U. S. Secret Service	Federal Bureau of Investigation	U.S. Postal Inspection Service	Internal Revenue Service, Criminal Investigation	Homeland Security Investigations	Total
Counterfeiting and forgery <sup>a</sup>	1,368	66	69	6	94	1,509
Other white collar crime/fraud	995	2,460	599	506	359	4,919
Financial institution fraud	719	1,435	452	132	83	2,821
Identity theft	524	343	317	205	277	1,666
Aggravated identity theft	608	484	454	383	240	2,169
Other fraud against businesses	406	844	165	96	74	1,585
<b>Total</b>						<b>14,669</b>
Percentage of total	4,620 31%	5,632 38%	2,056 14%	1,328 9%	1,033 7%	

Source: GAO analysis of Department of Justice Legal Information Office Network System data. | GAO-20-239

<sup>a</sup>Counterfeiting and forgery offenses include violations of specified laws related to the counterfeiting or forgery of U.S. currency, Treasury checks or bonds, or other obligations or securities of the United States, among other things.

Notes: Percentages in the percentage of total row do not equal 100 percent due to rounding.

This table does not include a comprehensive list of offense types or cases investigated by these agencies. The six listed offense types represent the categories wherein the U.S. Secret Service had the highest number of prosecuted financial crime cases. The data reported in this table are derived from the Department of Justice’s Legal Information Office Network System (LIONS). The table only attributes cases to the lead investigative agency, as designated by U.S. Attorney’s Offices in the LIONS database, and does not represent a full count of all cases to which each agency may have contributed. In addition, this table does not include cases that were referred by the investigating agencies but not prosecuted in that time frame. The LIONS database sometimes tracks federal cases for a parent agency (e.g., the U.S. Postal Service) rather than a component under the parent agency (e.g., the U.S. Postal Inspection Service). For the purpose of this analysis, if a

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parent agency included a component that serves as its primary investigative component, we attribute cases to the investigative component, rather than the parent agency.

All 12 of the federal prosecutors we interviewed told us that the benefits of the Secret Service and selected agencies investigating similar crimes outweigh the drawbacks. These prosecutors highlighted the following three benefits: (1) additional staff resources; (2) agency-specific expertise; and (3) value added by having agencies work together on cases. For instance, three federal prosecutors we interviewed said that the occurrence of financial and cybercrimes in their district was pervasive, and that the number of criminal complaints they received far exceeded the number of federal agents available to investigate. With regard to agency-specific expertise, one federal prosecutor noted that although multiple agencies may conduct counterfeiting investigations, the Secret Service has expertise in this area that is appreciated by local businesses, such as casinos. Finally, agency collaboration can benefit criminal investigations, as in a June 2018 case in which the Department of Justice announced a coordinated effort to disrupt schemes designed to intercept and hijack wire transfers from businesses and individuals. The effort included an investigation by Secret Service and the FBI in which 23 individuals were charged in the Southern District of Florida with laundering at least \$10 million.

In addition, although the Secret Service and selected federal agencies can investigate similar crimes, federal prosecutors told us that federal agencies prioritize different types of crimes or cases. For example, eleven federal prosecutors told us that the Secret Service was the only agency that referred counterfeiting cases to their district, and 6 federal prosecutors said the Secret Service was the only agency that referred protective intelligence or threat cases. Further, according to senior FBI officials, they generally investigate large-scale financial crimes. On the other hand, the Secret Service may be willing to investigate financial crimes with smaller losses than the FBI, according to senior FBI officials and two federal prosecutors we spoke with. Table 1 below includes the mission and investigative priorities of the Secret Service and selected federal agencies.

**Table 1: Mission and Investigative Priorities of the U.S. Secret Service and Selected Federal Agencies and Components**

Agency	Mission	Investigative priorities
U.S. Secret Service	Provides physical protection to the nation's highest elected leaders and visiting foreign dignitaries, as well as for facilities and major events, and safeguards the payment and financial systems of the United States from a wide range of financial and computer-based crimes.	<p>Prioritizes protective intelligence, investigating subjects (individuals or groups) and activities that pose threats to protectees and protected events.</p> <p>Prioritizes countering the most significant criminal threats to the financial and payment systems of the United States through criminal investigations.</p>
Federal Bureau of Investigation	Protects the nation from terrorism, espionage, cyber-attacks, and major criminal threats through intelligence-gathering and law enforcement responsibilities.	<p>Prioritizes terrorist financing and major white collar crimes, such as securities fraud, bank fraud, various kinds of email solicitation and marketing frauds, money laundering, high yield investment frauds, and corporate fraud.</p> <p>Prioritizes state-sponsored and terrorism related intrusions/hacking.</p>
Homeland Security Investigations	Investigates, disrupts, and dismantles terrorist, transnational, and other criminal organizations that threaten or seek to exploit the customs and immigration laws of the United States.	<p>Prioritizes investigative efforts associated with transnational criminal organizations. Investigations including financial crimes: cross-border crimes, such as money laundering and bulk cash smuggling; commercial fraud, benefit fraud; identity theft; intellectual property theft; and organized crime.</p> <p>Also prioritizes cross-border and internet-enabled cybercrimes such as dark net investigations and cryptocurrency cases, network intrusions, child exploitation, and human trafficking.</p>
Internal Revenue Service, Criminal Investigations	Serves the American public by investigating potential criminal violations of the Internal Revenue Code and related financial crimes.	<p>Prioritizes core mission tax fraud cases, which includes, but is not limited to, employment tax, corporate fraud, international and offshore tax fraud, abusive tax schemes, identity theft, return preparer fraud, and transnational narcotics and organized crime cases.</p> <p>Also prioritizes cybercrimes, counterterrorism, and terrorist financing that impact tax administration.</p>
U.S. Postal Inspection Service	Supports and protects the employees, infrastructure, and customers of the U.S. Postal Service. Enforces the laws that defend the nation's mail system from illegal or dangerous use.	Prioritizes frauds with a nexus to the mail, such as mail theft and mail fraud.

Source: GAO analysis of information provided by each respective agency. | GAO-20-239

Although nine of 12 federal prosecutors we interviewed stated that there are no drawbacks to the Secret Service investigating crimes similar to those investigated by selected federal agencies, two of 12 federal prosecutors and one federal agency official identified drawbacks related

to deconfliction and case assignment.<sup>32</sup> Specifically, one prosecutor told us that, in the past, there was a greater need for deconfliction between the Secret Service and the FBI, but that deconfliction had not been an issue in the last 18 months. In addition, FBI officials in one field office told us that although the Secret Service and the FBI generally coordinated and worked well together, sometimes there were instances in which they could have deconflicted earlier in an investigation. Another federal prosecutor told us that it may be difficult to know what federal law enforcement agency would be best to assign an investigation since in the early stages of an investigation, the federal prosecutor's office may lack adequate case information to know what law enforcement agency would be best positioned to conduct an investigation.

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<sup>32</sup>Deconfliction is the act of searching available data to determine if multiple law enforcement agencies are investigating the same target individual, organization, communications device, or other uniquely identifiable entity and, if so, of initiating coordination amongst the interested parties to prevent duplicative work or possible "blue on blue" situations (i.e., personnel from two or more law enforcement agencies unwittingly encountering each other during a law enforcement operation, such as an undercover situation).

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## Secret Service Developed a Plan to Combat Priority Criminal Threats, but Does Not Know the Extent to Which Resources Are Dedicated to Each Priority

### Selected Examples of U.S. Secret Service Criminal Investigations, by Priority Threat, According to Secret Service Officials

Priority threat: Criminal activity with significant economic and financial impacts to the United States.

- Example: An individual oversaw a credit card and identity theft operation, which included the theft and resale of over 2 million credit card numbers. The criminal operation resulted in a loss of \$170 million, and victims included roughly 3,700 financial institutions and 500 global businesses.

Priority threat: Criminal activity, such as cybersecurity threats, that operate at scale and present emergent or systemic risks to financial and payments systems.

- Example: An individual was arrested in connection with a money laundering case against an online currency exchange. The currency exchange had laundered billions of dollars of illicit funds.

Priority threat: Transnational criminal activity involving corruption, illicit finance, fraud, money laundering, and other financial crimes.

- Example: The Secret Service investigated a Romania-based group that used personal information stolen online from individuals to defraud victims from multiple countries. The group laundered criminal proceeds using cryptocurrency exchanges and accounts located overseas.

Source: U.S. Secret Service information. | GAO-20-239

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## Secret Service Has Defined Priority Criminal Threats, but Lacks a Documented Process to Consistently Ensure Resources Align with these Priorities

In December 2017, the Secret Service released the Office of Investigations Priorities and Roadmap (Roadmap).<sup>33</sup> The Roadmap states that fiscal constraints require that the agency prioritize its efforts and take steps to ensure that resources are aligned with its criminal investigative priorities. It further states that the Secret Service will align enterprise-wide investigative activities from independent or uncoordinated cases into a systematic, well-prioritized, and targeted operation to counter the networks of transnational criminals that present risks to financial and payment systems.

Towards this effort, the Roadmap states that the Office of Investigations will “counter the most significant criminal threats to the financial and payment systems of the United States through criminal investigations,” and that these investigations will focus on three priority criminal threats:

- Criminal activity with significant economic and financial impacts to the United States.
- Criminal activity, such as cybersecurity threats, that operate at scale and present emergent or systemic risks to financial and payments systems.<sup>34</sup>
- Transnational criminal activity involving corruption, illicit finance, fraud, money laundering, and other financial crimes.

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<sup>33</sup>According to Secret Service officials, the Roadmap was implemented in December 2017, and there was no similar guidance that existed before this document.

<sup>34</sup>According to Secret Service officials, “operate at scale” means large criminal operations, such as those that operate in locations throughout the United States.

To implement the Roadmap, the Office of Investigations was to identify investigative targets, such as specific criminal networks or activities, and develop campaign plans for each investigative target. As described in the Roadmap, the campaign plans were to synchronize the efforts of the Secret Service to counter the targets. They were also to identify government and non-government partners for countering investigative targets. In addition, the campaign plans to counter the most significant criminal threats to the financial and payment systems of the United States were to be reviewed, updated, discontinued, or newly developed on an annual basis.

The Secret Service has not, however, employed the practices as identified in the Roadmap because, according to Office of Investigations officials, the approach outlined in the Roadmap is not beneficial given the dynamic nature of the crimes they investigate. Instead, rather than identifying investigative targets based on the most significant threats on a yearly basis and developing campaign plans for each target as originally planned, Secret Service officials report that their Global Investigations Operations Center helps identify individual cases with national significance and coordinate resources necessary to investigate these cases throughout the year. In addition, every two weeks Office of Investigations leadership meets with field office management to discuss their significant cases, including discussions about resource demands for these cases.

However, available documentation of efforts taken does not consistently demonstrate synchronized efforts across the agency to counter investigative targets, as envisioned in the Roadmap. This is in part because the process for identifying cases with national significance and coordinating related resources is not documented. The Office of Investigations provided us with campaign plans it developed since the Roadmap was released, and based on our review, there were inconsistencies in the type of information provided. For example, one campaign plan identified gas station pumps that may have been compromised by skimming devices—that is, devices that steal credit card related information. The plan also identified field offices responsible for executing investigations of the gas pumps, timeframes for the investigations, and potential partners. A different campaign plan was an informational alert regarding business email compromises, including details about how the attacks are executed and examples of information the attacker is attempting to steal. However, this plan did not identify offices responsible for combatting the attacks, timeframes, or potential

partners. The plan also does not specify what resources would be necessary to combat the identified threat.

The Roadmap states that fiscal constraints require the Secret Service to prioritize its efforts and take steps to ensure that resources are aligned with its priorities. This is consistent with the recommendation of an independent panel established by the Secretary of Homeland Security to assess the Secret Service's operations, which in 2014 recommended that the Secret Service "clearly communicate agency priorities, give effect to those priorities through its actions, and align its operations with its priorities."<sup>35</sup> Further, Standards for Internal Control in the Federal Government require that management should implement control activities through policies and define objectives clearly.<sup>36</sup> This involves clearly defining what is to be achieved, who is to achieve it, how it will be achieved, and the time frames for realizing the achievement.

Documenting a process to ensure the Office of Investigations dedicates resources to priority criminal threats can assist the Secret Service in combatting these threats and ensuring that resources align with its priorities.<sup>37</sup> In addition, the documented process can help ensure that plans for addressing priority criminal threats consistently include key information, such as offices responsible for combatting specific priority criminal threats, timeframes for actions to be taken, potential partners, and resources necessary to combat the identified threat.

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## Secret Service Lacks Data to Determine the Level of Resources Dedicated to its Priority Criminal Threats

The Roadmap identifies three priority criminal threats to the U.S. financial and payment systems. However, according to Secret Service officials, the

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<sup>35</sup>United States Secret Service Protective Mission Panel, *Executive Summary to Report from the United States Secret Service Protective Mission Panel to the Secretary of Homeland Security*, (December 2014). In May 2019, we reported that Secret Service had made progress in identifying agencywide priorities, but that implementation of this recommendation is in progress because its operations do not fully align with the stated priorities. See GAO, *U.S. Secret Service: Further Actions Needed to Fully Address Protective Mission Panel Recommendations*, [GAO-19-415](#) (Washington, D.C.: May 2019).

<sup>36</sup>[GAO-14-704G](#).

<sup>37</sup>The Secret Service formally documents administrative policies as directives, which are subject to the requirements outlined in the agency's *Creating, Revising, and Issuing Policy* directive.

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agency does not have a process for identifying cases that address priority criminal threats. In addition, the agency does not collect data on the related expended resources, according to Secret Service officials.

Secret Service officials told us they maintain a significant case database, which holds information about individual cases that field office management determine to be significant. However, Secret Service officials told us the significant case database does not currently have the capability to identify whether a case addresses one of the three priority criminal threats, and acknowledged that the criteria of a significant case differ from the criteria of a priority threat outlined in the Roadmap. For example, as stated in the significant case database guidance, “significant cases are those that represent a significant economic or community impact, as well as those that involve multi-jurisdictional districts or schemes that employ emerging technologies.” However, as described earlier in this report, the Roadmap identifies three priority criminal threats, one of which is described as “criminal activity, such as cybersecurity threats, that operate at scale and present emergent or systemic risks to financial and payments systems.”

Standards for Internal Control in the Federal Government states that relevant, reliable, and timely information is needed throughout an agency in order to achieve its objectives.<sup>38</sup> However, the Secret Service does not have a systematic process for identifying cases that address priority criminal threats or the related expended resources, according to agency officials. As a result, Office of Investigations management and senior Secret Service officials lack complete information on the number of criminal investigations and amount of resources expended agencywide to investigate the agency’s priority criminal threats. Until the agency identifies investigations that address each priority criminal threat and the related resources, Office of Investigations management and senior-level Secret Service officials will not know the extent to which its operations are aligned with the stated priorities. Capturing and analyzing this data could help inform future decisions on how to allocate resources for addressing priority criminal threats.

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## The Office of Investigations' Special Agent Staffing Model Does Not Account for

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<sup>38</sup>[GAO-14-704G](#).

## Compensation Limits When Estimating Staffing Needs

Since 2017, the Office of Investigations has employed a staffing model to determine how many special agents are necessary to sustain protective and investigative operations in its field offices. The staffing model takes into account the number of hours special agents are expected to work under LEAP and standard overtime, but does not consider annual caps on federal employee salaries.

According to the Secret Service’s Human Capital Strategic Plan for Fiscal Years 2018 through 2025, the special agent staffing model is used to analyze the protective workload of the field offices. In addition, the plan stated that the model is used to determine the appropriate levels of investigative and intelligence output while keeping travel and overtime at “tolerable levels.” To fulfill the requirements to qualify for LEAP, Secret Service special agents regularly work a 10-hour day, inclusive of 2 hours of LEAP premium pay, for an annual total of 520 hours beyond the standard work year of 2,080 hours. The Office of Investigations staffing model also assumes special agents will work an estimated standard overtime of 200 hours, among other hours. As a result, the staffing model assumes that each special agent will work an estimated 2,600 hours per year. See Figure 8.

**Figure 8: Total Hours Planned in the U.S. Secret Service Special Agent Staffing Model**



Source: U.S. Secret Service. | GAO-20-239

However, if certain special agents work the hours projected under the staffing model, they may not be compensated for all of their work time because they may exceed the annual caps on federal employee salaries. For example, in calendar year 2018, using the Secret Service’s pay scale for the Washington, D.C. metro area, the standard pay cap was \$164,200. Special agents at pay grade GS 13 Step 9 would have lost compensation if, in addition to their regular hours, they worked 520 hours

of LEAP and 200 hours of standard overtime (see table 2). Special agents at pay grade GS 14 Step 6 would have lost compensation if, in addition to their regular hours, they worked 520 hours of LEAP alone. Although legislation was enacted in recent years to address compensation for Secret Service special agents by temporarily raising the pay cap, special agents at higher pay levels may still exceed the temporary pay cap under the current staffing model. For instance, under the temporary cap implemented for fiscal years 2017 and 2018, special agents at the GS 15 Step 5 pay grade would have been uncompensated for some hours if they worked the hours projected under the staffing model. See table 2 for additional details.

**Table 2: General Service (GS) Levels at Which U.S. Secret Service Special Agents Exceed Federal Pay Caps in Calendar Year 2018**

General service level	Standard salary (dollars)	Standard salary and law enforcement availability pay (dollars)	Standard salary, law enforcement availability pay, and 200 hours standard overtime (dollars)	Exceeded standard pay cap (\$164,200)	Exceeded temporary pay cap for 2018 (\$189,600)
GS 13 – Step 9	122,830	153,538	165,308	X	
GS 14 – Step 6	133,689	167,111	179,923	X	
GS 15 – Step 5	152,760	190,950	205,590	X	X

Source: GAO Analysis of Office of Personnel Management data and legal sources. | GAO-20-239

Note: GS pay levels are based on pay in the Washington, DC metropolitan area for 2018 and include locality pay. In 2017, Congress temporarily waived the pay cap for Secret Service to allow pay up to \$187,000 in 2017 and \$189,600 in 2018. The Secret Service-specific pay cap waiver has been extended through calendar year 2020.

According to data received from the Secret Service, some special agents did work time that was uncompensated despite the pay cap waivers. In calendar years 2016 through 2018, between 8 and 80 special agents assigned to the Office of Investigations worked some hours without being compensated for their time each year. This resulted in more than \$1 million in lost wages (see table 4). Without the pay cap waiver, between 426 and 819 special agents would have worked some hours without being compensated for their time, which would have resulted in a total of \$15.4 million in lost wages. See Table 3 for more details.

**Table 3: Effects of Compensation Limits in Calendar Years 2016-2018 for Special Agents Assigned to the Office of Investigations**

Standard pay cap	2016	2017	2018
Special agents who would have worked without being fully compensated under the standard pay cap	819	478	426

<b>Standard pay cap</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Funds expended beyond the standard pay cap to compensate special agents up to the enhanced pay cap (dollars)	8,880,429	3,401,536	3,126,238
Enhanced pay cap	2016	2017	2018
Special agents who were not fully compensated under the enhanced pay cap	80	8	28
Additional funds that would have been expended if all special agents had been fully compensated (dollars)	940,891	34,014	164,570

Source: U.S. Secret Service. | GAO-20-239

Due to the limits on special agent compensation, the Office of Investigation’s special agent staffing model currently plans for individuals to work hours for which they cannot be compensated. Without adjusting its staffing model to ensure compensation limits are accounted for when estimating staffing needs, certain Secret Service special agents will continue to be under-compensated for their work. Additionally, the Secret Service-specific waiver does not apply after 2020, at which point special agents in the Office of Investigations may further exceed the pay caps and work some hours without compensation.

Standards for Internal Control in the Federal Government states that management should design control activities to achieve objectives and respond to risks, such as those related to the management of human capital and the entity’s workforce.<sup>39</sup> Internal control standards also call for the consideration of excessive pressures, noting that excessive pressure can result in personnel “cutting corners” to meet the established goals, and that management can adjust excessive pressures using tools such as rebalancing workloads. The standards further state that management should recruit, develop, and retain competent personnel to achieve the entity’s objectives. Retention can be pursued by, among other things, providing incentives to motivate and reinforce expected levels of performance and desired conduct among staff. Working long hours without being fully compensated may cause special agents to be less focused when providing protection or to seek employment elsewhere.

Because the Secret Service’s staffing model does not consider maximum pay cap allowances, the Secret Service will continue to overestimate the number of hours each special agent should work and underestimate the number of staff needed to meet its workload demands. In addition, maximum pay cap allowances are subject to change if legislation does

<sup>39</sup>[GAO-14-704G](#).

not continue to increase them on an annual basis. As a result, absent developing an updated staffing model that accounts for compensation limits and using that model to estimate staffing needs, the Secret Service risks special agents continuing to work some hours without compensation, and continuing to underestimate staffing needs.

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## Conclusions

The Secret Service plays a critical role in safeguarding both the leadership of the United States and its financial resources. The Secret Service's Office of Investigations provides valuable support to its protective operations, such as by conducting protective intelligence investigations, building special agents' protection skills, and allowing the agency the flexibility to shift special agents from investigations to protection in campaign years and other protection-heavy periods. However, the Secret Service could better leverage its investigative responsibilities for supporting protective operations by identifying the types of investigative activities that best prepare special agents for protection, and developing a framework to help ensure special agents participate in those activities to the extent possible.

In addition, selected federal prosecutors reported that the Secret Service's financial investigations are helpful to the law enforcement community as a whole, bringing specialized expertise to investigations and complementing investigations performed by other federal law enforcement agencies. However, although the Secret Service has identified priority criminal threats in its Roadmap, it has not employed the actions identified in its Roadmap to pursue these threats. Rather, the agency relies on its Global Investigations Operations Center to identify individual cases with national significance and coordinate resources because, according to current Office of Investigations officials, the approach outlined in the Roadmap is not beneficial given the dynamic nature of the crimes they investigate. Documenting the process of identifying priority criminal threats and developing campaign plans would help the agency better direct investigative resources towards priority criminal threats. In addition, until the Secret Service identifies cases that address priority criminal threats and captures data on resources used, agency management will not be able to determine the extent to which resources and operations are aligned with priority criminal threats.

Finally, special agents can work long hours in carrying out their investigative and protective duties. Unless the Secret Service updates its

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staffing model to account for compensation limits, the agency risks continuing to underestimate staffing needs and having special agents work some hours without compensation. This could affect retention, potentially weakening the agency's ability to provide the highest level of quality protection.

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## Recommendations for Executive Action

We are making the following six recommendations to the Secret Service:

The Director of the Secret Service should identify which types of investigations and activities best prepare special agents for protective responsibilities. (Recommendation 1)

The Director of the Secret Service should develop a framework to help ensure special agents have an opportunity to work, to the extent possible, investigations and activities that best prepare them for protection. (Recommendation 2)

The Director of the Secret Service should establish a documented process to ensure that Office of Investigations resources are aligned with priority criminal threats. The process should outline key information to be included in plans for addressing priority threats. (Recommendation 3)

The Director of the Secret Service should identify investigations that address priority criminal threats agencywide and collect data on the resources expended to investigate the threats. (Recommendation 4)

The Director of the Secret Service should revise its special agent staffing model to ensure compensation limits are accounted for when estimating staffing needs. (Recommendation 5)

The Director of the Secret Service should, after revising the special agent staffing model, use the revised model to recalculate and estimate staffing needs. (Recommendation 6)

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## Agency Comments

We provided a draft of this report to DHS for review and comment. DHS provided written comments, which are reprinted in appendix IV, and technical comments, which we incorporated as appropriate. In its

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comments, Secret Service, through DHS, concurred with the six recommendations. In addition, in its written comments the Secret Service outlined steps to address the recommendations.

With regard to identifying which types of investigations and activities best prepare special agents for protective responsibilities and establishing a framework to help ensure they have an opportunity to work on them, the Secret Service has established a pilot program to revise guidance on preparing special agents for protection. Upon completion of the pilot program in March 2020, the agency plans to revise a directive to give field office supervisors a framework for identifying key training and experiences to prepare special agents for protection. The agency anticipates the new directive being implemented by June 2020. The stated actions are an appropriate response to our recommendation that the Secret Service develop and implement a framework for preparing special agents for protective responsibilities. These actions, if implemented effectively, should address the intent of our first two recommendations.

Regarding the establishment of a documented process to ensure that Office of Investigations resources are aligned with priority criminal threats, the Secret Service plans to replace its current guidance, the INV Priorities and Roadmap, with a new strategic document with the goal of better aligning resources to address priority threats by March 2020. Developing an effective strategic plan that sets goals and objectives and outlines effective and efficient operations necessary to fulfill those objectives is consistent with best practices. Likewise, making clear what information should be included in investigative plans for addressing these priority criminal threats will help the Secret Service ensure that its resources use will be aligned with the criminal threats the agency has identified as priorities. We will continue to monitor the Secret Service's efforts in this area.

To identify investigations that address priority criminal threats across the agency, the Office of Investigations intends to revise its internal policy to further define the role of the Global Investigative Operations Center (GIOC), including how the GIOC will identify and track investigations into priority criminal threats. The agency anticipates that these revisions will be published by March 2020. To collect data on the resources expended to address priority criminal threats, the Office of Investigations plans to consider new and additional data collection methodologies. The agency intends to have developed an analysis of the validity of its revised data aggregation methodology by September 2020.

Finally, the Office of Investigations plans to address our recommendations related to its staffing model by working with the Office of Strategic Planning and Policy and the Office of Human Resources to revise the staffing model to ensure compensation limits are accounted for when estimating staffing needs. The Office of Investigations then intends to work with these offices and the Chief Financial Officer to use the revised model to recalculate staffing needs. As the Secret Service notes, this recalculation is likely to result in an increase to the number of special agents required for the agency to maintain its current level of investigative engagement. The agency intends to complete the revision of the staffing model by March 2020 and update staffing estimates by June 2020.

We also provided the report to the Department of Justice (DOJ). The Executive Office of U.S. Attorneys (EOUSA), a component of the Department of Justice, provided written comments, which are reprinted in appendix IV. In its response, EOUSA, noted that it agreed with our statements that Secret Service is a valuable law enforcement partner in criminal investigations, particularly those related to counterfeit currency, cyber fraud, and identity theft. EOUSA further emphasized that Secret Service's investigative mission is intrinsically valuable to federal law enforcement efforts. DOJ also provided technical comments, which we incorporated as appropriate.

Finally, we provided the report to the Internal Revenue Service, which did not provide comments on the report. The U.S. Postal Service declined to review the public version of the report.

We are sending copies of this report to the appropriate congressional committees, the Secretary of Homeland Security, the Attorney General of the United States, the Postmaster General of the United States, and the Commissioner of the Internal Revenue Service, as well as other interested parties. In addition, the report is available at no charge on the GAO website at <http://www.gao.gov>.

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If you or your staff have any questions about this report, please contact me at (202) 512-8777 or [GoodwinG@gao.gov](mailto:GoodwinG@gao.gov). GAO staff who made key contributions to this report are listed in appendix V.



Gretta L. Goodwin  
Director  
Homeland Security and Justice

# Appendix I: Objectives, Scope, and Methodology

This report addresses the following objectives: (1) how, if at all, do the U.S. Secret Service's (Secret Service) investigative operations support or negatively affect its protective operations; (2) to what extent do the Secret Service and selected federal entities investigate similar financial crimes, and to what extent do selected federal prosecutors find this to be beneficial; (3) to what extent has the Secret Service developed a plan to combat its priority criminal threats; and (4) to what extent does the Office of Investigations' staffing model ensure compensation limits are accounted for when estimating staffing needs. This is a public version of a sensitive GAO report that we issued in September 2019. Secret Service deemed some of the information in our September report as sensitive, which must be protected from public disclosure. Therefore, this report omits sensitive information on whether Secret Service's investigative operations negatively affect its protective operations. Although the information provided in this report is more limited, the report addresses the same objectives as the sensitive report and uses the same methodology.<sup>1</sup>

To determine how the Secret Service's investigative operations potentially support or negatively affect protective operations, we reviewed Secret Service policies and guidance, including those related to Office of Investigations roles and responsibilities, time and attendance, and training. For example, we reviewed the Secret Service's December 2017 Office of Investigations Priorities and Roadmap (Roadmap) to assess whether the agency is leveraging the expertise it has developed for investigative purposes to advance special agents' ability to perform protective responsibilities.

We also analyzed Secret Service data for fiscal years 2014 through 2018. For example, we analyzed Secret Service time and attendance data to determine the number of hours special agents spent on investigation and protection activities. We focused on special agents in the Office of

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<sup>1</sup>*U.S. Secret Service: Investigative Operations Confer Benefits, but Additional Actions Are Needed to Prioritize Resources.* GAO-19-560SU (Washington, D.C.: Sept. 26, 2019).

Investigations, as these personnel are responsible for conducting criminal investigations and temporary protective assignments. Further, the data we analyzed focused on special agents in a field location (e.g., field office or resident office), and thus did not include special agents at headquarters. We focused on field staff because that is how the agency captures and reports the hour-related data in its annual reporting. In addition, we analyzed data on the number of investigative cases opened and closed. We focused on fiscal years 2014 through 2018 as it was the most recent data available at the time of our review; included a fiscal year in which the Secret Service experienced the operational tempo of a presidential campaign (i.e., fiscal year 2016); and included data from two administrations. To assess the reliability of the data, we discussed with Secret Service officials how the data are entered and maintained in their Manhours Reporting System, which tracks special agent workload and tasks, and their Field Investigative Reporting System, which maintains data on field office staffing and investigations. In addition, we compared the data to recent Secret Service annual reports and congressional budget justifications, and inquired about any differences. We also reviewed the data for any obvious errors and anomalies. Based on our review of the data and related controls, we determined that the data were sufficiently reliable for the purposes of reporting the number of hours that special agents in the Office of Investigations expended on different activities and the number of cases opened and closed during fiscal years 2014 through 2018.

We also interviewed Secret Service officials at headquarters and selected field offices.<sup>2</sup> We selected office locations using the following criteria: highest number of criminal investigation and protection hours, diversity in types of offices, geographic diversity, and presence of other federal law enforcement agencies.<sup>3</sup> In addition, we conducted semi-structured interviews with 40 current and former Secret Service special agents. Specifically, we randomly selected and interviewed 10 special agents from each of the Secret Service's three career phases (30 special agents

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<sup>2</sup>We visited the Secret Service Miami, Florida field office; West Palm Beach, Florida resident office; New York City, New York field office; and White Plains, New York resident office.

<sup>3</sup>The Secret Service has four types of offices in the field: field office, resident office, resident agency, and domicile. When considering the presence of other federal law enforcement agencies, we included the Federal Bureau of Investigation (FBI), United States Postal Service - Inspections Service (USPIS), Homeland Security Investigations (HSI), and Internal Revenue Service - Criminal Investigation (IRS-CI).

in total). We also interviewed 10 former special agents, including those that retired from the Secret Service and others that left the agency for other reasons. To select these 10 special agents, we asked special agents that we interviewed to recommend former special agents to participate in our study (i.e., snowball sampling) and contacted an association for former Secret Service personnel to help identify recently retired special agents. The information obtained from our interviews cannot be generalized across all current and former special agents; however, the information provided examples and perspectives on how investigative operations can support and negatively affect protective operations.

To determine the extent to which the Secret Service and selected federal agencies conduct similar investigations, we analyzed federal prosecutor data from the Legal Information Office Network System (LIONS)—a system maintained by the Department of Justice’s Executive Office for United States Attorneys. We analyzed the data to determine the number and types of cases referred by the Secret Service during fiscal years 2013 through 2017, the latest years for which data was available when making the determination. Specifically, based on our data analyses, we identified the six LIONS categories wherein Secret Service (1) was identified as the lead investigative agency by the US Attorney’s Office and (2) referred the highest number of financial crime cases to federal prosecutors during fiscal years 2013 through 2017. The categories were counterfeiting and forgery, other white collar crime/fraud, financial institution fraud, identity theft, aggravated identity theft, and other fraud against businesses. Next, we identified federal law enforcement agencies that referred the highest number of cases in these categories. Based on our data analyses, we selected the following four law enforcement agencies: the Federal Bureau of Investigation (FBI), the U.S. Postal Inspection Service (USPIS), Homeland Security Investigations (HSI), and Internal Revenue Service – Criminal Investigation (IRS-CI). In the course of our investigation, data from fiscal year 2018 became available, and we analyzed data from fiscal years 2014 through 2018 to determine the extent to which our selected federal law enforcement agencies referred similar types of cases to U.S. Attorney’s Offices as those referred by Secret Service.

The information obtained from selected federal agencies cannot be generalized across all federal agencies. However, the information provides examples of how federal law enforcement agencies can conduct similar types of investigations. In addition, the data may not account for all financial crimes cases each agency contributed investigative resources

to. This is because the data only includes cases referred by each investigative agency wherein the agency was identified as the lead investigative agency as determined by the U.S. Attorneys who entered the data into LIONS. To assess the reliability of the LIONS data, we discussed with Department of Justice officials how the data are entered and maintained in the system. We also reviewed the data for any obvious errors and anomalies. Based on our reviews and discussions, we determined that the data were sufficiently reliable for the purposes of describing the extent that selected federal law enforcement agencies referred financial crimes cases to federal prosecutors similar to those referred by the Secret Service during fiscal years 2014 through 2018.

To help identify potential benefits and drawbacks of the Secret Service and selected federal agencies conducting similar types of investigations, we conducted interviews with officials from the selected federal agencies. Specifically, we interviewed officials at the headquarters and the Miami and New York field office locations for each selected agency in conjunction with site visits to Secret Service field offices in those areas. In addition, we conducted semi-structured interviews with one representative with a high-level understanding of the office's activities (e.g., criminal chief) at 12 U.S. Attorney Offices (USAO).<sup>4</sup> To select U.S. attorney districts, we established the following criteria to help ensure that we gathered a range of perspectives and interviewed USAOs that were likely to have experience working with Secret Service: highest number of ongoing cases of the types Secret Service investigates the most during fiscal years 2013 through 2017, size of USAO district (as designated by the Department of Justice), geographic diversity, and USAOs located in a state with a Secret Service field office. The information obtained from selected USAOs cannot be generalized across all federal prosecutors; however, the information provided examples of the benefits and drawbacks of selected federal agencies and the Secret Service conducting similar types of investigations.

To determine the extent to which the Secret Service has developed a plan to combat its priority criminal threats, we reviewed Office of Investigations policies and guidance. For example, we reviewed the December 2017 Roadmap and guidance related to the Secret Service's

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<sup>4</sup>Selected USAOs were those covering Southern New York; Western North Carolina; Middle Pennsylvania; Northern Illinois; Eastern Michigan; Eastern Missouri; Southern Florida; Southern Alabama; Northern Oklahoma; Central California; Nevada; and Colorado.

Significant Case Database. In addition, as discussed earlier, we interviewed officials from the Office of Investigations at Secret Service's headquarters and selected field offices. We held discussions with agency officials to better understand whether the agency had a plan to address priority criminal threats and whether it maintained data on the number of cases that addressed priority criminal threats in fiscal years 2014 through 2018. We also reviewed Standards for Internal Control in the Federal Government to assess whether the Secret Service has the necessary control activities and information to combat its priority criminal threats and carry out its responsibilities.<sup>5</sup>

Finally, to understand how the Office of Investigations develops and uses its staffing model, we reviewed agency guidance documents including guidance governing personnel utilization; the Secret Service human resources manual; and the fiscal years 2018-2025 human capital strategic plan. We also received a briefing on the development and use of the Office of Investigations staffing model and the assumptions and statistical methods used in the staffing model from officials in the Office of Investigations. To describe the ways in which federal law affects special agent pay, we reviewed federal laws, such as the Law Enforcement Availability Pay Act of 1994,<sup>6</sup> the Overtime Pay for Protective Services Act of 2016,<sup>7</sup> and the Secret Service Recruitment and Retention Act of 2018.<sup>8</sup> Finally, we reviewed data provided by the Office of Human Resources to determine the number of special agents assigned to the Office of Investigations in calendar years 2016 through 2018 that were not compensated for all the time worked in each calendar year and the total sum unpaid. We determined the data were reliable for the purposes of this report through interviews with officials and evaluations of the system from which the data was pulled. We also reviewed Standards for Internal Controls and previous GAO products to assess the potential effects of some special agents working without compensation.<sup>9</sup>

We conducted this performance audit from November 2017 to September 2019 in accordance with generally accepted government auditing

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<sup>5</sup>[GAO-14-704G](#).

<sup>6</sup>Pub. L. No. 103-329, Title VI, 108 Stat. 2425. See 5 U.S.C. § 5545a.

<sup>7</sup>Pub. L. No. 114-311, 130 Stat. 1531.

<sup>8</sup>Pub. L. No. 115-160, 132 Stat. 1246.

<sup>9</sup>[GAO-14-704G](#); [GAO-16-384](#).

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standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. We subsequently worked with Secret Service from October 2019 to January 2020 to prepare this version of the original sensitive report for public release. This public version was also prepared in accordance with these standards.

# Appendix II: U.S. Secret Service Expenditures for Fiscal Years 2014 through 2018

From fiscal years 2014 through 2018, the U.S. Secret Service (Secret Service) expended \$9.2 billion, with an average of \$1.8 billion per fiscal year.<sup>1</sup> Secret Service officials told us that in fiscal years 2017 and 2018, the Secret Service changed the way it collected and reported expenditure data. Specifically, Department of Homeland Security management directed all agency components to use the Common Appropriations Structure (CAS). As a result, the Secret Service implemented CAS in fiscal year 2017. In addition, the officials told us the Secret Service updated its accounting software in fiscal year 2018, resulting in additional changes to the accounting structure. Secret Service officials told us that because of these changes, it is not possible to accurately compare expenditure data across fiscal years 2014 through 2018. However, Secret Service officials noted that in the future they will be able compare year-over-year fiscal data starting with fiscal year 2018 and beyond using a tool within the new accounting system. A description of the expenditure data for fiscal years 2014 through 2018 is provided below.

Secret Service officials told us that in fiscal years 2014 through 2016, expenditure data was collected and reported according to the task being performed. For example, a special agent's salary was reported under the investigation category if the special agent was performing investigation-related tasks, and it was reported under the protection category if the special agent was performing protection-related tasks. See table 4.

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<sup>1</sup>According to the Secret Service, personnel costs accounted for 65 percent of expenditures in fiscal year 2018.

**Table 4: U.S. Secret Service Expenditures, Fiscal Years (FY) 2014-2016**

Action	FY 2014	FY 2015	FY 2016
Investigation	394,302,298	406,096,811	375,138,712
Protection	931,498,514	971,753,557	1,174,019,490
Training	57,337,504	61,156,428	55,003,805
Other	232,813,748	262,833,704	301,368,431
<b>Total</b>	<b>1,615,952,064</b>	<b>1,701,840,500</b>	<b>1,905,530,438</b>

Source: U.S. Secret Service. | GAO-20-239

According to Secret Service officials, in fiscal year 2017, the agency implemented CAS and began to collect and report expenditure data according to location. For example, a special agent's salary was reported under the investigation category if the special agent was assigned to an Office of Investigations field office even if the special agent was performing a protection-related task. See table 5.

**Table 5: U.S. Secret Service Expenditures, Fiscal Year 2017**

Action	Fiscal Year 2017
Investigation	725,292,420
Protection	782,243,710
Training	68,421,853
Other	432,778,503
<b>Total</b>	<b>2,008,736,486</b>

Source: U.S. Secret Service. | GAO-20-239

In fiscal year 2018, Secret Service transferred its financial reporting to the Oracle R12 system, which tracks data according to both location and task. In addition, officials noted that other accounting structure changes were made in 2018, such as changes to what activities were classified as protection. As a result, expenditures data from fiscal year 2018 is not comparable to fiscal years 2014 through 2017. See table 6.

**Table 6: U.S. Secret Service Expenditures, Fiscal Year 2018**

Action	Fiscal Year 2018
Investigation	602,135,199
Protection	863,881,646
Training	83,614,096
Other	463,799,143
<b>Total</b>	<b>2,013,430,084</b>

Source: U.S. Secret Service. | GAO-20-239

# Appendix III: Enactment of the U.S. Secret Service's Investigative and Protective Duties under 18 U.S.C. § 3056

In 1865, the Secret Service was established by the Secretary of the Treasury for the purpose of investigating the counterfeiting of U.S. currency.<sup>1</sup> Over the course of the next 50 years, the Secret Service's role within the department continued to evolve as additional duties, such as Presidential protection, were assigned to it. During this time, the authorities exercised by the Secret Service were those delegated to it within the Department of the Treasury and, on occasion, authorities enacted through annual appropriations, which expired at the end of the applicable fiscal year.<sup>2</sup>

In 1916, the Secret Service received its first grant of authority enacted by permanent legislation—the Federal Farm Loan Act—which authorized the Secret Service to investigate counterfeiting, embezzlement, fraud, and certain other offenses in the federal farm loan system.<sup>3</sup> Ten years later, the Secret Service received another grant of authority to investigate the counterfeiting of government requests for transportation by common

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<sup>1</sup>The Secret Service remained within the Department of the Treasury until the Homeland Security Act of 2002 transferred its functions, personnel, assets, and obligations to the Department of Homeland Security, effective March 1, 2003. Pub. L. No. 107-296, title VIII, § 821, 116 Stat. 2135, 2224 (Nov. 25, 2002).

<sup>2</sup>For example, the Secret Service derived its authority for currency investigations from the Comptroller of the Currency, who was authorized to delegate these powers under the National Bank Act, ch. 106, 13 Stat. 99-100 (June 3, 1864). In certain fiscal years, appropriations were also enacted for the Secret Service, which authorized specified activities, such as Presidential protection, during a given fiscal year. See, e.g., Sundry Civil Expense Act for Fiscal Year 1918, ch. 27, 40 Stat. 105, 120 (June 12, 1917).

<sup>3</sup>Federal Farm Loan Act, ch. 245, § 31, 39 Stat. 360, 382-384 (July 17, 1916).

carrier.<sup>4</sup> Later, the Banking Act of 1933 and its 1935 amendments charged the Secret Service with investigating offenses similar to those under the Federal Farm Loan Act, but as applied to the Federal Deposit Insurance Corporation (FDIC).<sup>5</sup>

In 1948, the Secret Service's investigative authorities under the above statutes were consolidated into a single provision of law, 18 U.S.C. § 3056 ("the Secret Service Statute").<sup>6</sup> However, the 1948 codification effort did not account for the investigative or protective activities that the Secret Service was authorized to perform under a delegation of authority or annual appropriations acts. The authorizing legislation for these activities came three years later, with the 1951 revision of the Secret Service Statute.<sup>7</sup> As originally enacted, the Secret Service's protective duties extended to the President and his immediate family, the President-elect, and, upon request, the Vice President. On the investigative side, the 1951 statute authorized the Secret Service to investigate any federal offense related to U.S. or foreign coins, obligations and securities, thereby expanding its jurisdiction beyond the enumerated offenses enacted in 1948.

Over the next three decades, a series of amendments to the Secret Service Statute added new investigative and protective duties. In 1984, a revised version of the Secret Service Statute was enacted, which incorporated all prior amendments while adding a new investigative responsibility.<sup>8</sup> Although there has not been another wholesale revision of the Secret Service Statute since 1984, subsequent amendments have

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<sup>4</sup>Act of December 11, 1926, ch. 2, § 3, 44 Stat. 917-918.

<sup>5</sup>Banking Act of 1933, ch. 89, § 8, 48 Stat. 162, 168, 178, as amended by the Banking Act of 1935, ch. 614, § 101, 49 Stat. 684, 703 (Aug. 23, 1935).

<sup>6</sup>Act of June 25, 1948, ch. 645, 62 Stat. 683, 818. The enactment of 18 U.S.C. § 3056, Powers, Authorities, and Duties of United States Secret Service, ("the Secret Service Statute") was part of a wholesale effort to consolidate—or codify—scattered criminal laws and procedures into a single criminal code (Title XVIII of the U.S. Code). The goal of codification was to end the uncertainty of having to research volumes of statutes to identify applicable prohibitions. See S. Rep. No. 1620, at 1 (June 14, 1948). The consolidation process did not expand the Secret Service's investigative authorities beyond what had been enacted in the earlier laws, but it did mean that any subsequent changes to these authorities would be enacted by amending the Secret Service Statute. See H. Rep. No. 3190, at A154-155 (April 24, 1947).

<sup>7</sup>Act of July 16, 1951, ch. 226, § 4, 65 Stat. 121-122.

<sup>8</sup>Pub. L. No. 98-587, 98 Stat. 3110-3112 (Oct. 30, 1984).

further increased the Secret Service's protective and investigative responsibilities.

Under the current codification of its primary protective authorities, 18 U.S.C. § 3056(a), the Secret Service protects the President, the Vice President, the President-elect, and the Vice President-elect. The Secret Service may also provide protection, unless declined, to the immediate families of the President, the Vice President, the President-elect, and the Vice President-elect; former Presidents and their spouses for their lifetimes (unless the spouse remarries); children of a former President who are under 16 years of age; visiting heads of foreign states or foreign governments; other distinguished foreign visitors to the United States and official representatives of the United States performing special missions abroad when the President directs that such protection be provided; major Presidential and Vice Presidential candidates and, within 120 days of the general Presidential election, the spouses of such candidates; and, finally, former Vice Presidents, their spouses, and their children who are under 16 years of age, for a period of not more than six months after the date the former Vice President leaves office.

Under the current codification of its primary investigative authorities, 18 U.S.C. § 3056(b), the Secret Service conducts criminal investigations in areas such as financial crimes, identity theft, counterfeiting of U.S. currency, computer fraud, computer-based attacks on banking, financial, and telecommunications infrastructure, and a wide range of financial and cybercrimes. In addition to investigating financial and electronic crimes, special agents conduct protective intelligence—investigating threats against protected persons, including the President, and protected facilities, such as protected residences.

Table 7 provides a chronology of key statutes enacting protective and investigative authorities under the Secret Service Statute, 18 U.S.C. § 3056. Table 8 provides a cross-reference to enumerated offenses within the Secret Service's investigative jurisdiction under 18 U.S.C. § 3056(b)(1) of the Secret Service Statute.

**Table 7: Enactment of Protective and Investigative Authorities under the Secret Service Statute, 18 U.S.C. § 3056**

Date Enacted	Authority Enacted	Current Citation <sup>a</sup>
Statutes Prior to 1948		
July 17, 1916	INVESTIGATIVE: The Federal Farm Loan Act authorized the Secret Service to investigate certain fraud, counterfeiting, embezzlement and other offenses relating to the federal farm loan system.	18 U.S.C. § 3056(b)(1)

**Appendix III: Enactment of the U.S. Secret Service's Investigative and Protective Duties under 18 U.S.C. § 3056**

<b>Date Enacted</b>	<b>Authority Enacted</b>	<b>Current Citation<sup>a</sup></b>
Dec. 11, 1926	INVESTIGATIVE: The Secret Service received authority to investigate counterfeiting offenses related to government transportation requests.	18 U.S.C. § 3056(b)(1)
June 16, 1933	INVESTIGATIVE: The Banking Act of 1933 and its 1935 amendments authorized the Secret Service to investigate certain fraud, counterfeiting, embezzlement and other offenses relating to the Federal Deposit Insurance Corporation.	18 U.S.C. § 3056(b)(1)
1948 Enactment of the Secret Service Statute		
June 25, 1948	INVESTIGATIVE: The Secret Service Statute consolidated the investigative authorities, enacted under the statutes listed above, into a single provision of law (18 U.S.C. § 3056). It enumerated the offenses over which the Secret Service had jurisdiction by their new U.S. Code citations. The enumerated offenses involved fraud, counterfeiting, embezzlement and certain other misconduct in connection with government transportation requests, federal farm loans, and the Federal Deposit Insurance Corporation.	18 U.S.C. § 3056(b)(1)
1951 Revision of the Secret Service Statute		
July 16, 1951	PROTECTIVE: The 1951 Revision was the authorizing legislation for the Secret Service's protective duties. It authorized the Secret Service to protect the President and his immediate family members; the President-elect; and, upon request, the Vice President.  INVESTIGATIVE: The 1951 Revision gave the Secret Service the authority to investigate any federal offense relating to U.S. or foreign coins, obligations, or securities, while retaining its jurisdiction over the enumerated offenses enacted in 1948.	18 U.S.C. § 3056(a)(1)-(2) 18 U.S.C. § 3056(b)(2)
1984 Revision of the Secret Service Statute		
Oct. 30, 1984	PROTECTIVE: The 1984 Revision of the Secret Service Statute incorporated a series of amendments enacted since 1951, which cumulatively extended the Secret Service's protective duties to seven groups of individuals. Individuals in the first group—the President, Vice President, President-elect, and Vice President-elect—were not permitted to decline protection. Individuals in the other groups could.  INVESTIGATIVE: The 1984 Revision retained all prior grants of investigative jurisdiction and authorized another—the authority to investigate fraud perpetrated through modern technologies such as electronic fund transfers. In contrast with its earlier grants of investigative jurisdiction, the Secret Service's authority to investigate the new fraud offenses was concurrent with that of other federal law enforcement agencies and could only be exercised by agreement with the Attorney General.	18 U.S.C. § 3056(a)(1)-(7) 18 U.S.C. § 3056(b)(3)
Selected Amendments Following the 1984 Revision of the Secret Service Statute <sup>b</sup>		
Dec. 19, 2000	PROTECTIVE: The Secret Service received authority to assist with security operations at events of national significance, when directed by the President.	18 U.S.C. § 3056(e)
Oct. 26, 2001	INVESTIGATIVE: The Secret Service received authority to investigate fraud or other criminal or unlawful activity in or against any federally insured financial institution. Like the grant of jurisdiction in 1984 over electronic fraud crimes, this grant of jurisdiction was concurrent with that of other federal law enforcement agencies and could only be exercised by agreement with the Attorney General.	18 U.S.C. § 3056(b)(3)
Apr. 30, 2003	INVESTIGATIVE: The Secret Service received authority to provide forensic and investigative assistance in support of investigations involving missing or	18 U.S.C. § 3056(f)

**Appendix III: Enactment of the U.S. Secret Service's Investigative and Protective Duties under 18 U.S.C. § 3056**

Date Enacted	Authority Enacted	Current Citation <sup>a</sup>
Sept. 26, 2008	<p>exploited children.</p> <p><b>PROTECTIVE:</b> The Secret Service's protective duties were extended to an eighth group of individuals beyond the seven groups specified in 1984. The eighth group includes former Vice Presidents, their spouses and their children who are under 16 years old for a period of six months after the Vice President leaves office. These individuals may decline protection.</p>	18 U.S.C. § 3056(a)(8)

Source: GAO analysis of federal statutes. | GAO-20-239

<sup>a</sup>This table provides U.S. Code—rather than public law—citations. Current provisions of the U.S. Code may differ from the enacted authorities described in this table, which date back to July 17, 1916. As an example, this table describes the 2003 enacted version of 18 U.S.C. § 3056(f), which first authorized the Secret Service, “at the request of any State or local law enforcement agency, or at the request of the National Center for Missing and Exploited Children, to provide forensic and investigative assistance in support of any investigation involving missing or exploited children.” The current version of 18 U.S.C. § 3056(f), which reflects amendments enacted on December 21, 2018, includes, but is not limited to, missing or exploited children investigations. See table note b for citations to the 2003 statute that enacted the basic authority and the 2018 amendments to 18 U.S.C. § 3056(f).

<sup>b</sup>The selected amendments are those that added investigative or protective duties to the Secret Service's mission. Citations to these amendments are Pub. L. No. 106-544, § 3, 114 Stat. 2715-2716 (Dec. 19, 2000); Pub. L. No. 107-56, § 506(b), 115 Stat. 272, 367 (Oct. 26, 2001); Pub. L. No. 108-21, § 322, 117 Stat. 650, 665 (Apr. 30, 2003), as amended by Pub. L. No. 115-393, § 203, 132 Stat. 5271 (Dec. 21, 2018); and Pub. L. No. 110-326, § 102, 122 Stat. 3560 (Sept. 26, 2008).

As previously noted, the Secret Service Statute, 18 U.S.C. § 3056(b)(1), cites a number of offenses in Title XVIII of the U.S. Code over which the Secret Service has investigative jurisdiction, i.e.,—

“the Secret Service is authorized to detect and arrest any person who violates . . . section 508, 509, 510, 871, or 879 of this title or, with respect to the Federal Deposit Insurance Corporation, Federal land banks, and Federal land bank associations, section 213, 216, 433, 493, 657, 709, 1006, 1007, 1011, 1013, 1014, 1907, or 1909 of this title.”<sup>9</sup>

The enumerated offenses generally involve fraud, counterfeiting, embezzlement, and certain other misconduct in connection with government transportation requests, federal farm loans, and the Federal Deposit Insurance Corporation. Table 8 provides a brief description of each of the cited offenses.

<sup>9</sup>This list of citations differs in certain respects from those in the 1948 enacted version of the Secret Service Statute because of subsequent amendments. In particular, certain offenses in Title XVIII were renumbered in 1962, including two offenses within the Secret Service's jurisdiction, i.e., section 218 became section 213, while section 221 became section 216. See Pub. L. No. 87-849, § (d), 76 Stat. 1119, 1125 (Oct. 23, 1962). In addition, amendments enacted in 1965, 1982, and 1983 added three offenses to the list—sections 871, 879 and 510, respectively. See Pub. L. No. 89-218, 79 Stat. 890 (Sept. 29, 1965); Pub. L. No. 97-297, § 3, 96 Stat. 1317-1318 (Oct. 12, 1982); and Pub. L. No. 98-151, § 115(b), 97 Stat. 964, 976-977 (Nov. 14, 1983).

**Appendix III: Enactment of the U.S. Secret Service's Investigative and Protective Duties under 18 U.S.C. § 3056**

**Table 8: Cited Offenses Within the Secret Service's Investigative Jurisdiction Under 18 U.S.C. § 3056(b)(1)**

<b>Cited Offense</b>	<b>Brief Description</b>
18 U.S.C. § 213	Acceptance by bank examiners of loans or gratuities from U.S. financial institutions.
18 U.S.C. § 216 <sup>a</sup>	Receipt of gifts or commissions in federal farm loan transactions.
18 U.S.C. § 433	Exemption from otherwise applicable prohibitions on contracts involving Members of Congress.
18 U.S.C. § 493	Forging or counterfeiting bonds and obligations of specified U.S. lending agencies.
18 U.S.C. § 508	Forging or counterfeiting government transportation requests.
18 U.S.C. § 509	Unlawful possession, production or sale of plates and stones used in making forged or counterfeited government transportation requests.
18 U.S.C. § 510	Forging endorsements on U.S. Treasury instruments.
18 U.S.C. § 657	Embezzlement by officers, agents, or employees of specified U.S. lending, credit and insurance institutions.
18 U.S.C. § 709	False advertising or misuse of names to misrepresent a commercial enterprise as a federal agency or institution.
18 U.S.C. § 871	Threats against the President, President-elect, Vice President, or Vice President-elect.
18 U.S.C. § 879	Threats against former Presidents and certain other persons.
18 U.S.C. § 1006	Fraudulent entries, reports, and transactions by officers, agents, or employees of specified federal credit institutions.
18 U.S.C. § 1007	False statements in transactions with the Federal Deposit Insurance Corporation.
18 U.S.C. § 1011	False statements in Federal land bank mortgage transactions
18 U.S.C. § 1013	False pretenses as to the terms or conditions of a farm loan bond or credit bank debenture.
18 U.S.C. § 1014	False statements in Federal loan, credit or crop insurance applications.
18 U.S.C. § 1907	Unauthorized disclosure of borrowers' names by a farm credit examiner.
18 U.S.C. § 1909	Prohibition on receiving compensation for services performed for other banks by national-bank, Federal Deposit Insurance Corporation, or farm credit examiners.

Source: GAO analysis of federal statutes. | GAO-20-239

<sup>a</sup>In 1962, this offense was renumbered as section 216 from former section 221. See Act of June 25, 1948, 62 Stat. 683, 695, as amended Pub. L. No. 87-849, § (d), 76 Stat. 1119, 1125 (Oct. 23, 1962). In 1984, section 216 was repealed. See Pub. L. No. 98-473, § 1107(b), 98 Stat. 1837, 2146 (Oct. 12, 1984).

# Appendix IV: Comments from the Department of Homeland Security

U.S. Department of Homeland Security  
Washington, DC 20528



**Homeland  
Security**

January 2, 2020

Gretta L. Goodwin  
Director, Homeland Security and Justice  
U.S. Government Accountability Office  
441 G Street, NW  
Washington, DC 20548

Re: Management Response to Draft Report GAO-20-239, "U.S. SECRET SERVICE:  
Investigative Operations Confer Benefits, but Additional Actions Are Needed to  
Prioritize Resources"

Dear Ms. Goodwin:

Thank you for the opportunity to review and comment on the draft report. The U.S. Department of Homeland Security (DHS) appreciates the U.S. Government Accountability Office's (GAO) work in planning and conducting its review and issuing this report.

The Department is pleased to note GAO's positive recognition of the U.S. Secret Service's role in safeguarding U.S. financial systems and protecting designated people, locations, and events. DHS concurs with the GAO's conclusion that the Secret Service's investigative mission provides benefits as it relates to protective operations. GAO's findings confirm the success of the investigative mission, not only to investigate electronic and financial crime and to protect the nation's critical infrastructure but demonstrating the instrumental support provided to the protective mission.

Identifying priority criminal threats and aligning resources to these threats is a substantial challenge. The Secret Service maintains various internal models and organizations (e.g. the Global Investigative Operations Center (GIOCC) and the Electronic/Financial Crime Task Forces) that identify and disrupt emerging cybercriminal threats. However, due to the evolving nature of these threats, geographic variance, and rapidly emerging technologies we cannot expect criminal threats to be predictable over multiple years. Instead we must adapt to these changes and pivot our tactics and resources to address them quickly by looking at our priorities from a larger concentric view (i.e. disrupt and dismantle criminal activity while keeping protected officials safe).

The Secret Service's current suite of investigative tools and tactics to identify and suppress criminal activity allows for today's priorities and resources to be allocated but it is not intended to provide direction on how all criminal investigations are handled or prioritized across multiple years. The Secret Service has a Priorities and Roadmap document for its investigative mission, including cyber-enabled financial crime; however some cybercrime activity is only actionable by mitigation techniques for a short window of time. For example, the use and implementation of the Europay, Mastercard and Visa technology regulations for gas pumps will likely reduce gas pump skimming crime beyond fiscal year (FY) 2021, but criminals will likely then adopt new criminal schemes. The Secret Service's response to the efforts of such targeted groups may change with cyber trends, but the overarching premise behind our foundation—which is to be agile, identify new crimes, enable investigative campaigns and arrest bad actors—remains consistent and undoubtedly speaks to the success of the investigative program and its benefits to the protective mission as GAO's report confirmed.

The draft report contained six recommendations with which the Department concurs. Attached find our detailed response to each recommendation. DHS previously submitted technical comments under a separate cover.

Again, thank you for the opportunity to review and comment on this draft report. Please feel free to contact me if you have any questions. We look forward to working with you in the future.

Sincerely,



JIM H. CRUMPACKER, CIA, CFE  
Director  
Departmental GAO-OIG Liaison Office

Attachment

Attachment: Management Response to Recommendations  
Contained in in GAO-20-239

GAO recommended that the Director of the Secret Service:

**Recommendation 1:** Identify which types of investigations and activities best prepare special agents for protective responsibilities.

**Response:** Concur. The Secret Service's Office of Investigations (INV) along with the Offices of Training (TNG), Human Resources (HUM), and Protective Operations (OPO) established a pilot program during FY 2019 to revise guidance for preparing agents for future protective responsibilities. INV anticipates that initial results of the working group assessment and pilot program will be completed by March 31, 2020. The goal is to clearly define the experiences and training that best prepare an agent for protective responsibilities. Estimated Completion Date (ECD): March 31, 2020.

**Recommendation 2:** Develop a framework to help ensure special agents have an opportunity to work, to the extent possible, investigations and activities that best prepare them for protection.

**Response:** Concur. INV along with TNG, HUM, and OPO will revise and update Secret Service Directive RTC-03(02), *Special Agent Training*, accordingly. The updates will provide field office supervisors a framework to assist with the identification of key trainings, experiences and assignments relevant for developing special agents for future protection assignments. For example, conducting protective intelligence investigations, supporting protective operations, interviewing suspects, and working with other law enforcement partners are important for developing special agents for future protection assignments. Following the completion of the working group assessment and pilot program to identify desired experiences and trainings as referenced in our responses to Recommendation 1, the updated Directive will be implemented throughout the agency, then periodically reevaluated and updated, as appropriate. ECD: June 30, 2020.

**Recommendation 3:** Establish a documented process to ensure that Office of Investigations resources are aligned with priority criminal threats. The process should outline key information to be included in plans for addressing priority threats.

**Response:** Concur. INV and the Office of Strategic Planning and Policy (OSP) will replace the current INV Priorities and Roadmap document along with a new INV Strategic Document. The overall goal of the strategy is to better align resources to address priority threats. ECD: March 31, 2020.

**Recommendation 4:** Identify investigations that address priority criminal threats agency-wide and collect data on the resources expended to investigate the threats.

**Response:** Concur. INV will publish an internal policy change to identify and further define the GIOC's role and how they will identify, track and work investigations addressing priority threats. The policy will also identify other internal resources that will work in partnership to advance these priorities. In addition, to effectively evaluate data collection on resources expended to investigative threats, INV will study the development of new and additional data collection methodology and create and adjust performance measures and targets in partnership with OSP. INV anticipates that (1) the roles, responsibilities and formal policy will be completed for the GIOC by March 31, 2020, and (2) a complete data validity and validation analysis to support the newly instituted data aggregation methodology and investigative performance indicators will be completed by the end of FY 2020. ECD: September 30, 2020.

**Recommendation 5:** Revise its special agent staffing model to ensure compensation limits are accounted for when estimating staffing needs.

**Response:** Concur. INV, in partnership with HUM and OSP, will provide additional input and analysis to revise the special agent staffing model to account for compensation limits when estimating staffing needs. ECD: March 31, 2020.

**Recommendation 6:** After revising the special agent staffing model, use the revised model to recalculate and estimate staffing needs.

**Response:** Concur. INV, HUM, OSP and the Office of the Chief Financial Officer will use the revised staffing model to recalculate estimated staffing needs. It is important to note that implementing this recommendation is expected to result in a significant increase to Secret Service required staffing. Updated estimates of future staffing needs to inform future budgetary processes should be completed by the end of Quarter 3, FY 2020. ECD: June 30, 2020.

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## Agency Comment Letter

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### Text of Appendix IV: Comments from the Department of Homeland Security

#### Page 1

January 2, 2020

Gretta L. Goodwin  
Director, Homeland Security and Justice  
U.S. Government Accountability Office  
441 G Street, NW  
Washington, DC 20548

Re: Management Response to Draft Report GAO-20-239, "U.S. SECRET SERVICE: Investigative Operations Confer Benefits, but Additional Actions Are Needed to Prioritize Resources"

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geographic variance, and rapidly emerging technologies we cannot expect criminal threats to be predictable over multiple years.

Instead we must adapt to these changes and pivot our tactics and resources to address them quickly by looking at our priorities from a larger concentric view (i.e. disrupt and dismantle criminal activity while keeping protected officials safe).

### Page 2

The Secret Service's current suite of investigative tools and tactics to identify and suppress criminal activity allows for today's priorities and resources to be allocated but it is not intended to provide direction on how all criminal investigations are handled or prioritized across multiple years. The Secret Service has a Priorities and Roadmap document for its investigative mission, including cyber-enabled financial crime; however some cybercrime activity is only actionable by mitigation techniques for a short window of time. For example, the use and implementation of the Europay, Mastercard and Visa technology regulations for gas pumps will likely reduce gas pump skimming crime beyond fiscal year (FY) 2021, but criminals will likely then adopt new criminal schemes. The Secret Service's response to the efforts of such targeted groups may change with cyber trends, but the overarching premise behind our foundation- which is to be agile, identify new crimes, enable investigative campaigns and arrest bad actors- remains consistent and undoubtedly speaks to the success of the investigative program and its benefits to the protective mission as GAO's report confirmed.

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Sincerely,

Jim H. Crumpacker, CIA, CFE  
Director  
Departmental GAO-OIG Liaison Office

Attachment

Page 3

**Attachment: Management Response to Recommendations Contained in in  
GAO-20-239**

GAO recommended that the Director of the Secret Service:

**Recommendation 1:**

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**Recommendation 2:**

Develop a framework to help ensure special agents have an opportunity to work, to the extent possible, investigations and activities that best prepare them for protection.

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Page 4

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# Appendix V: Comments from the Department of Justice



U.S. Department of Justice

Executive Office for United States Attorneys

Office of Legal Programs

Suite 4.601, 3CON Building  
175 N Street, NE  
Washington, DC 20530

(202) 252-5858  
FAX (202) 252-3861

Gretta Goodwin  
Director, Homeland Security & Justice  
United States Government Accountability Office  
441 G Street NW  
Washington, DC 20548

December 30, 2019

Dear Ms. Goodwin:

Thank you for the opportunity to comment on the Government Accountability Office's (GAO's) draft report, "U.S. Secret Service: Investigative Operations Confer Benefits, but Additional Actions are Needed to Prioritize Resources."

The Executive Office for United States Attorneys (EOUSA) supports the points voiced by the federal prosecutors with whom GAO spoke. In particular, we agree that the Secret Service is a valuable partner in many white collar investigations, particularly on counterfeit currency, cyber fraud, and identity theft. We write to emphasize the value of the Secret Service's investigative capabilities with respect to these cases. Given the decrease in white collar resources available from other agencies as they battle the opioid crisis, violent crime, and other non-white-collar issues, prosecutors continue to rely greatly on the Secret Service's special skills in financial, cyber, and related investigations.

We note that the first and second recommendations in the report endeavor to assist the Secret Service in identifying the types of investigative activities that best prepare special agents for their protective function responsibilities. While we fully appreciate the critical importance of the Secret Service's protective function, we note that their financial and cyber investigative work has its own intrinsic public safety value, which stands apart from the value such work may also have in preparing agents for their protective function work. Accordingly, we want to underscore the critical importance of the Secret Service's investigative capabilities to our federal law enforcement efforts.

EOUSA does not have any sensitivity concerns with the report.

Sincerely,

A handwritten signature in black ink that reads "David L. Smith".

David L. Smith  
Counsel for Legal Initiatives

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## Agency Comment Letter

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### Text of Appendix V: Comments from the Department of Justice

#### Page 1

December 30, 2019

Gretta Goodwin  
Director, Homeland Security & Justice  
United States Government Accountability Office  
441 G Street NW  
Washington, DC 20548

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EOUSA does not have any sensitivity concerns with the report.

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Sincerely,

David L. Smith  
Counsel for Legal Initiatives

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# Appendix VI: GAO Contact and Staff Acknowledgments

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## GAO Contact

Gretta L. Goodwin, (202) 512-8777 or [GoodwinG@gao.gov](mailto:GoodwinG@gao.gov)

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## Staff Acknowledgments

In addition to the contact named above, Joseph P. Cruz (Assistant Director), Jeffrey Fiore, Miriam Hill, Lerone Reid, and Leslie Stubbs made key contributions to this report. Also contributing to this report were Willie Commons III, Christine Davis, Eric Hauswirth, Susan Hsu, Grant Mallie, Claire Peachey, Farrah Stone, Eric Warren, and Sonya Vartivarian.

# Appendix VII: Accessible Data

## Data Tables

**Data Table for Highlight Figure and Figure 5: Hours Expended Agencywide on Protective Operations by U.S. Secret Service Law Enforcement Personnel, Fiscal Years 2014-2018**

Fiscal year	Office of Investigations	Office of Investigations percentage of total hours	All Secret Service Offices
2014	1.88436	39%	4.84385
2015	2.03571	41%	5.01355
2016	2.80838	45%	6.29214
2017	2.38998	42%	5.73254
2018	2.07422	37%	5.55124

**Data Table for Figure 6: Percentage of Hours Special Agents in the Office of Investigations Expended, By Type of Activity, Fiscal Years 2014-2018**

Fiscal year	Protection (Physical Protection, Protective Investigations, and Surveys)	Investigations (criminal and non-criminal)	Training	Other Duty
2014	39	52	3	6
2015	44	44	7	5
2016	58	31	8	3
2017	51	37	9	4
2018	43	40	12	4